

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2007 PERFORMANCE BUDGET (OPERATING PLAN)

Saving Lives and Keeping Families Safe

U.S. CONSUMER PRODUCT SAFETY COMMISSION 2007 PERFORMANCE BUDGET

TABLE OF CONTENTS

	<u>Page</u>
Budget Summary	
Table 1 – 2005 to 2007 Resources by Program and Activity	1
Budget Programs and Performance Plan	
Reducing Product Hazards to Children and Families	2
Fire Hazard (Strategic Goal)	7
Carbon Monoxide Poisoning Hazard (Strategic Goal)	
Children's and Other Hazards	23
International Programs and Intergovernmental Affairs	
Identifying Product Hazards	39
Data Collection	
Data Utility (Strategic Goal)	
Quality and Management Goals	46
Data Quality (Strategic Goal)	
Industry Services (Strategic Goal)	
Customer Satisfaction with CPSC Services (Strategic Goal)	
President's Management Agenda.	
Appendix A - Performance Plan Supporting Details	
Program Evaluations	60
Verification and Validation	
Societal Costs Estimation.	
Processes and Technologies Needed to Meet the Performance Goals	
Appendix B – Budget Supporting Details	
Voluntary Standards Summary	70
Mandatory Standards Summary	

TABLE 1 2005 TO 2007 RESOURCES BY PROGRAM AND ACTIVITY (DOLLARS IN THOUSANDS)

		5 Actual	2006 Actual		·	7 Plan
REDUCING PRODUCT HAZARDS TO CHILDREN AND FAMILIES:	<u>FTEs</u>	Amount	<u>FTEs</u>	Amount	<u>FTEs</u>	Amount
Fire Deaths*	153	21,907	142	21,440	139	20,252
Carbon Monoxide Poisoning*	10	1,473	14	2,216	14	2,302
Children's and Other Hazards	<u>186</u>	<u>26,143</u>	<u>167</u>	<u>25,931</u>	<u>186</u>	<u>26,929</u>
Subtotal	349	\$49,523	323	\$49,587	339	\$49,483
IDENTIFYING PRODUCT HAZARDS:						
Data Collection**	85	\$10,600	80	\$11,361	71	\$11,432
Emerging Hazards/Data Utility*	<u>13</u>	<u>1,961</u>	<u>9</u>	<u>1,326</u>	<u>10</u>	<u>1,455</u>
Subtotal	<u>98</u>	<u>\$12,561</u>	<u>89</u>	<u>\$12,687</u>	<u>81</u>	<u>\$12,887</u>
TOTAL COMMISSION	<u>447</u>	<u>\$62,084</u>	<u>412</u>	<u>\$62,274</u>	<u>420</u>	<u>\$62,370</u>

^{*} These are strategic goals.

^{**} Data collection activities support all hazard reduction efforts.

BUDGET PROGRAM: Reducing Product Hazards to Children and Families

Our largest budget program, representing about 80 percent of our annual request, focuses on *Reducing Product Hazards to Children and Families*. This program addresses product hazards identified in our other program, *Identifying Product Hazards*.

CPSC's hazard reduction work has contributed substantially to the decline in the rate of deaths and injuries related to consumer products since the agency's inception in 1973. Past CPSC work has saved and continues to save the nation billions of dollars each year. Product-related deaths and injuries, however, continue to occur. There are, on average, 27,100 deaths and over 33.1 million injuries each year related to consumer products under CPSC's jurisdiction. The deaths, injuries, and property damage associated with consumer products cost the nation over \$700 billion annually. (See Appendix A - Societal Costs Estimation.)

In the Reducing Hazards budget program, staff set goals for reducing the risks of injuries and deaths from:

- Fire hazards.
- Carbon monoxide hazards, and
- Children's and other hazards, including electrocutions, chemical, and household/recreational hazards.

Whenever possible, the Commission seeks a *voluntary solution* to product hazards. This voluntary approach is demonstrated by our high ratio of voluntary to mandatory safety standards (almost ten-to-one since 1990) and our success at getting voluntary recalls (100 percent in 2006).

	2005 Actual		200	6 Actual	2007 Plan		
HAZARDS	FTEs	Amount	FTEs	Amount	FTEs	Amount	
Fire Deaths	153	\$21,907	142	\$21,440	139	\$20,252	
Carbon Monoxide	10	1,473	14	2,216	14	2,302	
Children's and Other Hazards	186	26,143	167	25,931	186	26,929	
TOTAL	349	\$49,523	323	\$49,587	339	\$49,483	

How WE REDUCE HAZARDS

The Commission uses a number of strategies to reduce the risks associated with hazardous consumer products. These strategies include (1) participating in the voluntary standards process or developing mandatory safety standards; (2) conducting compliance activities such as recalls, corrective actions, and enforcement of existing regulations; and (3) alerting the public to safety hazards and informing them about safe practices. We also recently developed an international program to focus on reducing hazards from

imported products. The agency bases its actions to reduce the risks from hazardous consumer products on information developed from its extensive data collection systems that assess the causes and scope of product-related injuries.

SAFETY STANDARDS

Much of our work in saving lives and making homes safer is conducted in cooperation with industry. From 1990 through 2006, we worked with industry and others to develop 352 voluntary safety standards while issuing only 36 mandatory rules. This is almost a ten-to-one ratio of voluntary to mandatory standards.

Staff participates in the development of voluntary standards at a number of steps in the process. Staff first submits recommendations for new standards, or modifications of existing standards, to voluntary standards organizations. On acceptance of our recommendations, the organizations complete technical work to support the requirements, publish a proposal for public comment, receive and evaluate comments, and publish a standard. This process may take months or several years. Staff participates in the process by technical expert advice, assistance, information based on data analyses of how deaths, injuries and/or incidents occurred. Our voluntary standards policy does not permit us to vote on proposed changes or new standards. However, our comments are considered throughout the process.

Safety standards may also be developed through mandatory rulemaking. If a voluntary standard exists, by law, we may issue a mandatory standard only when we find that the voluntary standard will not eliminate or adequately reduce the risk of injury or death or it is unlikely that there will be substantial compliance with the voluntary standard.

Generally, our statutes require us to go through a three-step rulemaking process (an advance notice of proposed rulemaking, a notice of proposed rulemaking, and a final rule). During this process, we seek input from all interested parties, including consumers, industry and other government agencies. We generally develop performance standards, rather than design standards, to give manufacturers the most flexibility in meeting our requirements. Examples of mandatory standards are requirements for child-resistant lighters and for bunk beds. We may initiate rulemaking based on petitions from outside parties or based on our own internal staff work.

COMPLIANCE

We also reduce hazards through compliance activities. Compliance staff identifies defective products through their own investigations. We learn about potential product defects from many sources, including consumers through our hotline and Web site. In addition, firms are required by law to report potential product hazards or violations of standards to the Commission. In 2005, staff developed a *Retailer Reporting Model* that is now being followed by two of the nation's three largest retailers.

When a recall is necessary, Compliance staff negotiates with the responsible firm. In 2006, CPSC completed 471 cooperative recalls (100 percent voluntary) involving nearly 124 million consumer product units that either violated mandatory standards or presented a substantial risk of injury to the public. Where companies fail to report as required, CPSC can seek penalties in court. In 2006, CPSC negotiated out of court settlements in which six companies voluntarily agreed to pay \$2.3 million in civil penalties to the U.S. Treasury.

To assist industry in recalling products and complying with our regulations easily and quickly, we rely on Fast Track product recalls and the work of our Small Business Ombudsman. We developed the Fast Track program to streamline the process of recalls for firms that were willing and prepared to recall their products quickly. Because every defective product presents a risk of injury or death, removing hazardous products from the marketplace faster can prevent more injuries and save more lives. Recalls under the Fast Track program are conducted without the need for a time-consuming hazard analysis and, over 90 percent of the time, are implemented within 20 days of a firm's report to CPSC. For non Fast-Track corrective actions, we also established new efficiency goals to complete key actions within a challenging time period.

We use a Small Business Ombudsman to help small firms comply more easily with product safety regulations and guidelines by providing them with a single point of contact for assistance and information. The Ombudsman coordinates a clear and understandable response from our technical staff so that firms receive the information they need within three business days.

CONSUMER INFORMATION

CPSC warns the public about product-related hazards through print and electronic media, our hotline and Web sites (www.cpsc.gov, www.recalls.gov and www.atvsafety.gov)

and other outreach activities such as the Neighborhood Safety Network (NSN). The NSN is a grassroots outreach program that provides timely, lifesaving information to 5,000 individuals and organizations who, in turn, share our safety posters and news alerts with underserved consumers who would have otherwise never heard or received the information from CPSC. Additionally, we develop and provide safety information for the public through safety and recall alerts, print and video news releases, public service announcements, publications, national and local television appearances, and hotline messages. When knowledge of a hazard requires immediate warnings to the public, such as the recall of a playpen that caused the death of a baby, we rely heavily on the media (newspapers, radio, TV, news wire services) to disseminate our message. For warnings that need to be repeated -- and most do -- we often rely on outreach by partnering with other organizations and developing programs, such as the NSN, to more rapidly disseminate important safety information.

In response to the devastating hurricanes in our Gulf Region, CPSC partnered with the Florida, Mississippi, Alabama and Louisiana Departments of Health, the Federal Emergency Management Agency (FEMA), the Centers for Disease Control and Prevention (CDC), local emergency management agencies and the Red Cross. We warned residents of the hazards associated with generator use and also the dangers they may encounter when returning to their property, including electrical, gas and standing water hazards.

We Web site, hotline. improved our consumer Clearinghouse, and publications distribution capability to better serve the public. CPSC's Web site has grown rapidly from about 200,000 visits in 1997 to 20.3 million visits in 2006. The number of publications accessed from our Web site has increased as well, which is in part due to the successful introduction of new technology such as the Really Simple Syndication (RSS) feed system. RSS has replaced faxing and emailing to disseminate product safety information to the public, providing instantaneous release of information. RSS enables CPSC to post recalls and press releases in a format that allows TV stations and other media to obtain the information from CPSC's Web site and in seconds have the information posted on their Web site. We post and spotlight recall notices on the Web site at the same time that we issue a news release announcing the recall. Consumers and firms can file reports of unsafe products on-

line and firms are ensured of confidentiality by encrypted transfer of data. Product safety information is also available in Spanish and other languages and children can access a special section of the site, *Especially for Kids*, which has safety information.

In 2003, we initiated the creation of <u>www.recalls.gov</u>, an innovative "one-stop shop" for all federal product recalls, in partnership with five other federal health and safety regulatory agencies. This Web site is an easy-to-use portal to all federal agencies that have the authority to conduct safety recalls. In 2006, there were 1.2 million visitors to the site.

The hotline receives consumer complaints and provides information on product hazards and recalls to the public. The National Injury Information Clearinghouse provides injury data to our staff and the public and provides manufacturers with consumer complaints, reported incidents, and investigations involving their products.

INTERNATIONAL PROGRAMS
AND INTERGOVERNMENTAL
AFFAIRS

CPSC established the *Office of International Programs and Intergovernmental Affairs* to provide a comprehensive and coordinated effort in consumer product safety standards development and implementation at the international, federal, state and local levels. The Office conducts activities and creates strategies aimed at ensuring greater import compliance with recognized American safety standards and exportation of CPSC regulatory policies, technologies and methodologies into other jurisdictions. The Office also works to harmonize the use of standards worldwide.

SETTING TARGETS

For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.



FIRE HAZARD

STRATEGIC GOAL: Reduce the rate of death from fire-related causes by 20 percent from 1998 to 2013.

THE HAZARD

This nation's fire death rate remains high. From 1999 to 2003¹, an estimated annual average of 2,540 people died, and 14,070 were injured because of fires in residences. These fires resulted in property losses of about \$4.81 billion. The total cost to the nation from residential fires was over \$24 billion. Children and seniors are particularly vulnerable. In 2003, over 600 children under the age of 15 died of fire-related causes, and over 350 of these deaths were to children under the age of 5 years. Children under age 5 have a fire death rate nearly twice the national average. Older adults also have significantly higher fire death rates in comparison to the rest of the population. In 2003, residential fires resulted in nearly 800 deaths to adults 65 years and older.

Products most often ignited in fatal fires are upholstered furniture, mattresses, and bedding. In recent years, these product categories were associated with about one-third of fire deaths. Cooking equipment is often involved as a source of ignition in fire deaths, accounting for about 10 percent of fire deaths in recent years.

OUR PROGRESS

1989

1994

Under previous Strategic Plans (1997 and 2000), we set a target to

Start of Strategic Goal

Start of Strategic Goal

Start of Strategic Goal

Goal

Goal

1999

2004

Fire-Related Death Rate Associated

with Consumer Products by Year

(Based on 3-Year Moving Averages)

reduce the rate of fire deaths due to consumer products by 10 percent from 1995 to 2005. From 1995 to 2003², the fire death rate declined by nearly 17 percent, a reduction of 270 fire-related deaths. To further reduce the death rate, we retained this as a strategic goal in our current Strategic Plan, but with a new target of 20 percent reduction from 1998 to 2013.

Past standard-setting and compliance activities contributed to the general decline in fires and fire deaths and show that the agency is effective in reducing fire hazards. These activities include work on cigarette ignition-resistant and open flame-resistant mattresses and upholstered furniture, heating and

2014

2009

¹2003 is the latest year for which complete death data is available; these estimates are based on fires in residential structures that were attended by the fire service.

² Estimates generated for 1999 and later are not strictly comparable to estimates before 1999 because of major revisions to the World Health Organization's International Classification of Diseases coding system (ICD) and the U.S. Fire Administration's (USFA) National Fire Incident Report System (NFIRS).

cooking equipment, electrical products, general wearing apparel, children's sleepwear, child-resistant lighters, fireworks, battery-operated children's vehicles, smoke alarms, and residential fire sprinklers.

2007 ANNUAL FIRE-RELATED GOALS

Note: For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.

Annual Goals Summary		2002	2003	2004	2005	2006	2007
Safety Standards							
1. Prepare candidates for rulemaking	Goal	3	3	3	4	5	8
·	Actual	3	2	3	1	4	
2. Present recommendations to voluntary standards or	Goal	3	3	3	0	1	2
code organizations	Actual	4	3	2	0	0	
3. Complete data analysis and technical review	Goal	41	12	10	14	12	11
activities	Actual	12	7	5	10	9	
4. Support voluntary standards and code revisions	Goal	*	17	14	13	11	11
	Actual	15	17	14	17	11	
Compliance							
5. Preliminary determination within 85 business days	Goal	**	**	**	**	**	66%
(unregulated products)	Actual		60%	65%	59%	44%	
6. Corrective action within 60 business days of	Goal	**	**	**	**	**	80%
preliminary determination (unregulated products)	Actual		63%	72%	75%	83%	
7. Corrective action within 35 business days of notice	Goal	**	**	**	**	**	80%
of violation (regulated products)	Actual		93%	75%	66%	60%	
8. Monitor existing voluntary standards	Goal	1	1	**	**	1	1*
	Actual	1	2	0	0	1	
9. Monitor existing mandatory standards	Goal	**	**	**	**	**	1
	Actual	0	0	0	0	0	
10. Conduct port-of-entry surveillance	Goal	2	2	2	1	1	1*
	Actual	3	3	2	2	2	
Consumer Information							
11. Consumer outreach (in millions)	Goal	**	**	**	**	**	125.0
	Actual			81.7	94.1	185.0 [#]	
12. Issue press releases and recall alerts	Goal	45##	45##	60	60	113	107
	Actual	88	72	100	131	111	
13. Conduct public information efforts/ partnerships	Goal	7	7	5	6	7	7
	Actual	7	7	5	5	5	

^{**}No goal established. --Data not available.

Safety Standards

1. Prepare for Commission consideration 8 candidates for rulemaking or other alternatives.

Upholstered Furniture

360 addressable deaths 740 addressable injuries \$133.0 million in property damage (1999-2002 annual average) Ignitions of upholstered furniture account for more fire deaths than any consumer product under CPSC's jurisdiction. The staff is developing a draft flammability standard to address the risk of fire associated with ignitions of upholstered furniture by smoldering

^{*}Estimate based on prior years' experience. The actual number of monitoring and surveillance activities will depend on the mix of safety-related problems arising during the year.

[#]This number is unusually high due to unprecedented press coverage of computer battery fires.

^{##}Prior to 2004 this goal did not include recall alerts.

(includes 60 deaths and 260 injuries associated with small open flame ignition and 300 deaths and 480 injuries associated with cigarette ignition)

cigarettes and by small open flame sources like lighters, matches and candles.

In 2003, the Commission published an advance notice of proposed rulemaking (ANPR) covering both cigarette-ignited and small open flame-ignited fires. In 2004 and 2005, staff developed a revised draft standard addressing both ignition mechanisms. In 2006, the staff analyzed public comments, conducted technical work to support a possible standard, and presented a briefing package of regulatory options to the Commission.

Goal: In 2007, staff will continue technical research and publish its technical reports to support a possible proposed rule. Staff will also continue to work with the California Bureau of Home Furnishings and Thermal Insulation, industry and other stakeholders, and the U.S. Environmental Protection Agency (EPA) on related issues.

Bedclothes - Flammability

In 2005, CPSC voted to publish an ANPR to develop a mandatory standard to address open-flame ignition of bedclothes and began evaluating the ANPR comments. In 2006, staff participated in a test method study being conducted by the California Bureau of Home Furnishings and Thermal Insulation to evaluate their test method.

Goal: In 2007, staff will prepare a draft project status report including information on the progress of California's efforts to develop a test method for filled bedding items, and conduct other testing and analysis activities as appropriate.

Mattresses - Cigarette Ignition 180 addressable deaths

520 addressable injuries \$81.6 million in property loss (1999-2002 annual average) In 2005, CPSC published an ANPR, initiating a possible amendment or revocation of the existing cigarette ignition standard. In 2006, staff analyzed comments on the ANPR, and initiated research at NIST to support regulatory options.

Goal: In 2007, the staff will monitor the progress of NIST's research, review cigarette fire in-depth investigations, and prepare a draft status update.

Cigarette Lighters, Mechanical Malfunction

10 injuries \$0.175 million in property loss (1999-2002 annual average, based on NFIRS) In 2005, CPSC issued an ANPR to develop a new mandatory safety standard for cigarette lighters to prevent mechanical malfunctions. In 2006, staff conducted a study of conformance with the ASTM voluntary cigarette lighter standard (F-400) and provided that information to the Commission for consideration.

Goal: In 2007, staff will take action as directed by the Commission.

Clothing Textile Standard Amendments

122 deaths (1999-2003 annual average, NCHS)

The Standard for the Flammability of Clothing Textiles was enacted to reduce clothing-related thermal burn injuries and fatalities due to the use of highly flammable textiles in clothing.

3,832 injuries (2001-2005 annual average, NEISS)

Several aspects of the existing standard require test procedure clarifications or are out of date due to changes in test equipment, consumer practice, environmental law, and textile product cleaning techniques. These discrepancies between actual clothing use conditions and variations in compliance testing undermine the efficiency of the standard.

An ANPR was published in late 2002. In 2003, staff reviewed the ANPR comments and developed a plan to prepare a proposed standard. From 2004 through 2006, the staff prepared recommendations for amendments to the standard and a notice of proposed rulemaking (NPR) briefing package for Commission consideration.

Goal: In 2007, staff will send a briefing package to the Commission with recommended amendments for Commission consideration and will continue activities as directed by the Commission.

Carpet and Rug Standards Amendments (Ignition Source)

100 deaths 310 injuries \$125.6 million in property loss (1999-2003 annual average) The standards for the surface flammability of carpets and rugs were adopted to prevent fires spread by carpets and rugs that are ignited by a small ignition source (such as a match or burning ember). The test method requires the use of a methenamine tablet produced by Ely Lilly or an equivalent tablet as the ignition source for the carpet tests. In 2002, Ely Lilly ceased production of its tablet. The standards need to be amended to specify the characteristics that produce tablets equivalent to the Lilly product without reference to a specific brand-name product. In 2006, staff prepared a briefing package with recommended product specification amendments for Commission consideration. The Commission voted to instruct the staff to prepare an NPR for Commission consideration.

Goal: In 2007, staff will address NPR comments and prepare the draft final rule (technical amendment) for Commission consideration.

In 2006, the staff completed a regulatory review of both the Safety Standard for Cigarette Lighters and the Safety Standard for Multi-Purpose Lighters.

Goal: In 2007, the staff will complete a status report documenting the issues raised by the regulatory review, and detailing options to address those concerns.

In 2006, an ANPR was published seeking information and comments on (1) the risk of injury from fireworks devices, (2) alternatives other than those listed in the ANPR, (3) an existing standard which could be issued as a proposed regulation, and (4) testing currently being conducted on fireworks devices.

Lighters Amendments

Fireworks Amendments

Goal: In 2007, the staff will review comments received in response to the ANPR and begin to evaluate possible alternatives for updating CPSC's fireworks regulations. The staff will complete a status report summarizing the work completed during the year.

2. Prepare and present recommendations to voluntary standards or code organizations to strengthen or develop 2 voluntary standards or codes, as appropriate, for:

Electrical Lighting Products

30 deaths 130 injuries \$72.5 million in property loss (2003)

Fire Escape Masks

CPSC staff is investigating the causes of fire incidents involving lamps, light fixtures and light bulbs.

Goal: In 2007, staff will develop recommendations for improvements to the applicable voluntary standards to address incidents involving the design, installation, use, and/or maintenance of lighting products, as appropriate.

Fire escape masks are products marketed as safety devices to protect users against deadly toxic smoke while evacuating a fire, chemical or other emergency in the home and other locations. These products have the potential to reduce deaths and injuries by providing more escape time and protecting people from toxic gases during fires. Currently, there are no performance standards for these products. At the end of 2004, through an Interagency Agreement with CPSC, the U.S. Fire Administration provided funding to conduct testing of escape masks. In 2005, staff continued to evaluate the effectiveness of escape masks by conducting testing and evaluating the human factors issues associated with these products. In 2006, staff and contractor testing and evaluation were completed.

Goal: In 2007, reports of testing results will be completed and recommendations for revisions to the voluntary standard will be developed, as appropriate.

3. Complete 11 data analysis, collection and technical review activities.

Aluminum Wiring Repair Methods

In the 1960s and early 1970s, aluminum branch circuit wiring was used in residential construction. Connections with aluminum wiring are significantly more likely to overheat than connections made with copper wire. A new mechanical connector for use with aluminum wiring has been developed, and this connector shows considerable cost savings compared to the one currently recommended by CPSC. A 2006 end-of-year contract was funded to investigate this connector.

Goal: In 2007, the contractor will complete a draft report of the evaluation of the connector.

Cigarette Ignition Risk

620 deaths 1,500 injuries \$305.5 million in property loss (1999-2002 annual average)

Electrical Safety Checklist

Extension Cords

70 deaths 280 injuries \$109.0 million in property loss (1999-2003 annual average for cords and plugs)

Fire Escape Planning

Staff will compare the characteristics of the standard cigarette used in CPSC staff tests for smoldering ignition to Reduced Ignition Propensity (RIP) cigarettes. Staff will assess the differences in fire behavior of products exposed to these cigarettes.

Goal: In 2007, staff will develop a test plan to compare the characteristics of RIP cigarettes to those of currently marketed (non-RIP) cigarettes using modified Upholstered Furniture Action Council upholstered furniture mockups and mattresses meeting the new mattress standard, 16 CFR 1632.

Goal: In 2007, staff will update the *Home Electrical Safety Audit Room by Room Checklist* to reflect more recent National Electrical Code changes and to make the document more user-friendly.

Extension cords continue to be associated with a large number of fire incidents (3100 in 2002). Extension cords are frequently subjected to difficult conditions during use, which can result in local overheating, arcing, and ignition of nearby combustibles. The voluntary standards covering extension cords may not include requirements to adequately evaluate extension cords for mechanical abuse or other consumer use.

Goal: In 2007, the staff will review in-depth investigation reports in which fire incidents were attributed to extension cords, and identify failure modes. The staff will also review applicable voluntary standards to determine if current requirements are adequate to address observed failures. The staff will prepare a draft status report with recommended future actions.

Available escape time in a fire is less than it was 30 years ago, and escape time is often overestimated by household occupants. Only about 25% of households actually practice a fire escape plan. In addition, about half of fire deaths occur at night. Therefore, there may be a need for improved fire escape devices to better guide occupants out of the home when visual conditions are expected to be poor. The purpose of this activity is to determine if technology and/or improved educational material can reduce fire escape times and increase life safety in a fire scenario.

Goal: In 2007, the staff will initiate an investigation of various technologies and concepts, such as visual signals and unique audible sounds, to improve residential occupant escape in event of The investigation will also include an evaluation of the feasibility of incorporating the technology or concept in residential homes. Occupant escape times without and assistance/guiding devices will be investigated, and educational aides for developing and practicing a fire escape plan will be evaluated. A draft status report of this work will be completed. This activity, along with the results of the work, will be completed in 2008.

Flammable Liquids

61 deaths (2001-2003 annual average) 9,309 injuries (2004)

A staff evaluation of clothing fire incidents collected through CPSC's burn center incident reports found that nearly half of the incidents involved children and flammable liquids such as gasoline and kerosene. In 2006, staff analyzed incident data, identified possible approaches to preventing flammable liquid incidents, and drafted a report summarizing this information.

Goal: In 2007, staff will finalize the report, and create and propose information programs to address the most significant fire scenarios that involve flammable liquids.

Portable electronic devices use higher energy density batteries, such as lithium ion batteries. Batteries that experience an internal cell short may overheat and explode, posing a hazard to consumers. In 2006, a contractor completed internal short characterization testing of high energy density lithium-ion batteries (cells) for mobile telephone use.

Goal: In 2007, staff will follow up this work by examining potential methods and/or safety features that could be incorporated to reduce the hazards. A report of the staff review will be completed. In 2008, voluntary standards recommendations will be made, as appropriate.

Cooking fires continue to be a major cause of residential fires. There is a variety of products marketed to consumers to prevent these fires, including range extinguishing systems. In 2006, the staff conducted an evaluation of production and prototype range extinguishing systems in cooperation with the National Institute for Standards and Technology.

Goal: In 2007, the staff will complete technical research and prepare a draft report.

There were an estimated 374,700 residential fires attended by the fire service that resulted in \$5.31 billion in property loss in 2003. Fire service attended fires are thought to represent only about 3 percent of all U.S. residential fires annually based on 1984 data. A probability telephone survey of causes and characteristics of residential fires, both attended and not attended by the fire service, was conducted by a contractor in 2004 and 2005. Data collection included information about the performance of smoke alarms, sprinklers, and fire extinguishers in those fires. In 2006, staff completed analysis of the survey data.

Goal: In 2007, a draft report documenting the survey, statistical methods used, and results will be completed.

Young children and seniors may have difficulty hearing certain smoke alarm signals. Little behavioral research exists on smoke alarm signaling and related smoke alarm design issues.

High Energy Battery Packs/Chargers

Range Extinguishing Systems

30,400 fires 170 deaths 1,990 injuries \$287 million in property losses (2003 data)

Residential Fire Survey

2,740 deaths 13,120 injuries (2003 data)

Smoke Alarms

2,540 deaths 14,070 injuries \$4.81 billion in property loss (1999 - 2003 annual average)

Goal: Staff will conduct a review of research in behavioral analysis areas such as sensation, perception, and sleep. Data will be compiled and analyzed. The staff will draft a report to define and highlight the most critical data-deficient human factors areas for smoke alarm design.

Temperature Controls

A temperature regulating or limiting control component typically reacts to heating or cooling to turn a heating appliance off or on. Some CPSC staff tests have found safety and operating controls that either failed to open or did not open at the specified temperature.

Goal: Staff will develop a plan for testing the performance characteristics of temperature control samples that may contribute to poor performance, such as deviations in calibration. Thermal lag in first-time operation and possible temperature effects, which may affect electrical properties, will also be investigated. Testing will be conducted according to the plan.

4. Support voluntary standards and codes.

Voluntary Standards

Staff will support the development or revision of 11 voluntary standards for candles, escape masks, fire sprinklers, turkey fryers, arc fault circuit interrupters, batteries, portable fans, fixed electric heaters, smoke alarms, lighting, and the National Electrical Code.

Compliance

5. Preliminary Determination Efficiency

Compliance Officers open investigations based on reports of a possible defect from a manufacturer, importer or retailer, or on their own initiative following up consumer complaints, newspaper accounts or information from CPSC surveillance activity. Each investigation involves a thorough review of information from the company and other sources, with analysis by CPSC's technical experts. The investigation culminates in a staff "preliminary determination" that there is or is not a product defect. This new annual output goal establishes a target for rapid investigation and resolution of fire-related hazards.

6. Corrective Action Timeliness (Unregulated Products)

Each investigation involving a fire-related hazard will culminate in a preliminary determination that a product is or is not defective. If the product is determined to be defective, the Compliance Officer will begin negotiating with the responsible company to obtain a voluntary corrective action. For defects that pose a risk of serious injury, the Compliance Officer will seek a consumer-level recall, which usually involves a free repair or replacement of the product or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production. This new annual output goal establishes a target for the percentage of fire-related cases where

corrective action is negotiated and commenced within 60 business days after a firm is notified of the staff's preliminary determination.

7. Corrective Action Timeliness (Regulated Products)

Compliance staff regularly conducts surveillance activity to check compliance of products with CPSC mandatory standards. Samples collected by investigators in the Field are sent to the CPSC Laboratory for analysis. Additional technical analysis is often conducted by CPSC technical experts. When it is determined that a product violates CPSC standards, a Compliance Officer sends a letter of advice (LOA) to the manufacturer, importer or retailer. For violations posing a serious risk of injury, the letter will seek a consumer-level recall (unless the sample was collected at a port of entry and no products have been distributed within the United States). For less serious violations, the letter may seek a lesser corrective action, such as stopping sale of the violative products and correction of future production. This new annual output goal establishes a target for the percentage of cases where corrective action is negotiated and obtained within 35 business days after the LOA is issued.

- **8.** Voluntary Standards Compliance
- Staff will monitor compliance with 1 existing voluntary standard likely to reduce fire-related injuries.
- **9.** *Mandatory Standards Compliance*

In 2007, the staff will implement the rule on *Mattress Flammability – Open Flame* (16 CFR Part 1633), as issued in 2006, working with affected industries as needed.

10. *Import Surveillance*

Staff will conduct port-of-entry surveillance for 1 product for which fire safety standards are in effect. In 2006, CPSC field staff and U.S. Customs and Border Protection prevented about 2.1 million units of non-complying lighters and violative fireworks from entering the country. The Office of International Programs and Intergovernmental Affairs will continue to conduct activities and create strategies to foster greater import compliance with recognized safety standards.

Consumer Information

Alert the public to fire-related hazards through:

11. Consumer Outreach

In 2006, about 185 million consumers were reached with safety information related to fire hazards through TV appearances, VNRs and Web publications. This number is unusually high due to the unprecedented press coverage of computer battery fires and the subsequent recalls. Because of this, the target for 2007 was set excluding the consumer reach for these recalls.

Goal: Staff will reach 125.0 million consumers with fire safety messages through TV appearances and interviews on national

television networks, video news releases (VNRs) to national and local television networks, and e-publications through CPSC's Web site.

12. Press Releases

In 2006, we issued 111 press releases and recall alerts on hazardous products.

Goal: Staff will issue 107 press releases and recall alerts to inform the public about products presenting a risk of fire-related death.

13. Conduct 7 public information efforts, including at least 1 partnership with industry and/or a fire safety group.

Fireworks

Goal: CPSC will conduct a national safety campaign for the Fourth of July to increase public awareness of the dangers associated with legal and illegal fireworks. This campaign will include activities such as a news conference, video news release, and Podcast message. Possible partnerships may include the Department of Justice and the Department of Homeland Security. We may reissue a fireworks safety poster for use by the *Neighborhood Safety Network (NSN)*.

General Fire Hazards

Goal: In support of CPSC's implementation of a new open-flame flammability standard for mattresses, we will develop and conduct an information and education campaign in the second half of the fiscal year. The campaign will include activities such as a news release, VNR, *Neighborhood Safety Network* poster, new publication, and partnership with other grassroots organizations.

Halloween Hazards

Goal: CPSC will remind consumers of the flammability hazards associated with costumes and other Halloween hazards and highlight warnings about the risk of fire associated with homemade children's costumes, jack-o-lanterns, and other Halloween decorations. We will conduct activities such as issue a news release, reissue our *Neighborhood Safety Network* Halloween safety poster, host a media availability and conduct TV, radio, and newspaper interviews.

Holiday Hazards

Goal: During the winter holiday season, CPSC will reissue an annual news release and *Neighborhood Safety Network* poster to warn consumers about the fire risk from defective decorative holiday light strings and from natural trees, and provide tips on the safe use of candles and fireplaces. CPSC may also conduct a media availability for local and national reports.

Home Heating

Goal: At the beginning of the home heating season, the staff will conduct activities such as issue a news release, a video news release, a Podcast message and hold a joint press event with the Centers for Disease Control and Prevention to warn about fire

hazards from home heating equipment, especially space heaters, furnaces, and chimneys.

Safe Holiday Cooking

Goal: During the Thanksgiving season, CPSC will join the Association of Home Appliance Manufacturers (AHAM) and Underwriters Laboratories (UL) in a cooking safety campaign. CPSC will contribute to a UL-produced video news release and an AHAM-issued press release. We will also coordinate with AHAM on distribution of a special cooking safety brochure. A Neighborhood Safety Network safety message will also be disseminated.

Smoke Alarms

Goal: In a continuing effort to remind consumers that smoke alarms save lives, CPSC will issue a news release in conjunction with daylight savings time in the spring and the fall to emphasize that consumers need to have and maintain their smoke alarms. CPSC may also promote new research or findings on the response by children and the elderly to smoke alarms.



CARBON MONOXIDE POISONING HAZARD

STRATEGIC GOAL: Reduce the rate of death from carbon monoxide poisoning by 20 percent from the 1999-2000 average by the year 2013.

THE HAZARD

Carbon monoxide (CO) is a poisonous gas that has no smell, color, or taste -- truly an invisible killer. Burning any fuel, such as gas, oil, wood, or coal produces this gas, so that any fuel-burning appliance is a potential CO source. At higher concentrations in the blood, CO can cause cognitive impairment, loss of consciousness, coma, and death.

From 1999-2002³, there was an estimated annual average of 141 unintentional non-fire CO poisoning deaths associated with consumer products, at a societal cost of approximately \$705 million each year. Because some symptoms of moderate CO poisoning may mimic common illnesses, such as influenza or colds, there may be a high incidence of missed initial diagnoses. Not only are victims frequently unaware of exposure to CO, but also health care providers may not suspect, or check for, CO poisoning. While some symptoms of CO poisoning are reversible, delayed neurological effects can develop following severe poisonings, especially those involving prolonged unconsciousness. Prompt medical attention is important to reduce the risk of permanent damage.

Most consumer product-related CO poisoning deaths are associated with the use of heating systems. Other consumer products associated with CO poisoning deaths include charcoal grills, gas water heaters, gas ranges and ovens, fuel-burning camping equipment, and engine-driven tools such as portable generators and power lawn mowers. Problems with chimneys, flues, or vents connected to fuel-burning products have also been mentioned in the fatal scenarios.

OUR PROGRESS

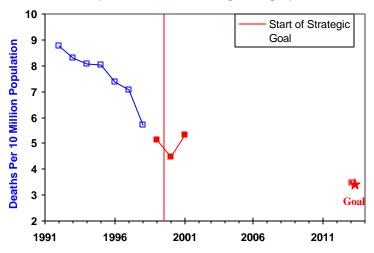
Under our previous Strategic Plans, we had a target to reduce the rate of CO poisoning deaths due to consumer products by 20 percent from 1994 to 2004. From 1994 to 1998, the death rate was reduced by 22 percent. To further reduce the death rate, we retained this strategic goal in our Strategic Plan with a new target of 20 percent reduction by 2013 from the 1999-2000 average.

As shown in the graph on the following page, there is a discontinuity of rates between 1999-2002 and the previous years.

³2002 is the latest year for which complete death data is available.

This discontinuity may be due, at least partially, to different methods used to estimate the number of deaths in the two time periods.⁴

Carbon Monoxide Poisoning Death Rate Associated with Consumer Products by Year (Based on 3 Year Moving Averages)



We have been successful in the past in reducing deaths through a number of interventions, including: working with industry to encourage the development of new products to protect consumers from CO poisonings; working with industry to develop a voluntary performance standard for CO alarms; and warning the public about CO poisoning through information campaigns.

Recently, there has been an increase in the number of CO-related deaths, in part associated with the use of portable generators during natural disasters, such as hurricanes. Activities in our plan are designed to address this increase.

2007 ANNUAL CARBON MONOXIDE-RELATED GOALS

Note: For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.

Annual Goals Summary		2002	2003	2004	2005	2006	2007
Safety Standards							
1. Prepare candidates for rulemaking	Goal	**	**	**	**	**	1
	Actual	0	0	0	0	1	
2. Complete data analysis and technical review	Goal	3	2	0	3	3	2
activities	Actual	3	2	0	1	2	
3. Support voluntary standards and code revisions	Goal	**	4	3	3	3	3
	Actual	4	4	3	3	3	
Compliance							
4. Monitor existing voluntary standards	Goal	**	**	1	**	1	1
	Actual	0	0	0	0	1	
Consumer Information							
5. Consumer Outreach (in millions)*	Goal	**	**	**	**	**	20.0
	Actual			9.2	5.2	14.6	
6. Issue press releases and recall alerts	Goal	1	1#	5	5	8	7
	Actual	8	6	7	8	11	
7. Conduct public information efforts/partnerships	Goal	1	3	3	2	3	4
	Actual	3	3	3	2	2	

^{**}No goal established. --Data not available.

^{*}The baseline data for this new goal are not strictly comparable to the 2007 or later data due to an improved data capturing capacity implemented in 2007.

^{*}Prior to 2004 this goal did not include recall alerts.

⁴The new method used after 1998 includes three changes: a change in the International Classification of Diseases (ICD), a change in methodology within CPSC, and inclusion of a new category of products in the estimates.

Safety Standards

1. Pre pare for Commission consideration 1 candidate for rulemaking or other alternatives.

Portable Generators (Labels) 64 deaths (2005) The contribution of generators to the total yearly estimated CO poisoning deaths has been increasing annually, from 6% in 1999 to 24% in 2002. Generators pose a severe risk of CO poisoning when used in enclosed areas such as basements, crawl spaces or garages (with doors open or closed) or outdoors near openings that allow the engine exhaust to enter occupied spaces. In 2006 the Commission issued a notice of proposed rulemaking (NPR) for warning labels for portable generators.

Goal: In 2007, the staff will address public comments on the NPR and prepare a briefing package on the draft final rule for Commission consideration.

2. Complete 2 data analysis, collection and technical review activities.

Portable Generators (Technical and Other Issues) 64 deaths (2005) In addition to work involving warning labels for generators, in 2005, staff began investigating the feasibility of devices that will shut the generator's engine down before an unsafe CO environment is created. Staff also collected and analyzed incident and market data. In 2006, staff presented a briefing package to the Commission outlining options to address CO poisoning hazards associated with generators.

Goal: In 2007, the staff will conduct activities as noted in its briefing package and as directed by the Commission. These activities include (1) managing an interagency agreement (IAG) with the National Institute for Standards and Technology (NIST) to model the infiltration of CO into various styles of homes when a generator is operated in an attached garage under a number of different conditions; (2) managing a contract to develop and demonstrate a low CO emission engine, with bimonthly status reports; and (3) modifying the IAG with NIST to add tasks to validate through physical testing NIST's model for predicting oxygen depletion for a portable generator operating in a garage.

Vented Gas Appliance CO Sensors 70 deaths (1999-2002 annual average) Gas-fired heating appliances continue to be a leading cause of unintentional CO poisoning deaths. Staff previously conducted testing that demonstrated the use of sensor technology to provide shutdown response to hazardous levels of CO within the flue passageways of a gas furnace. Staff also developed a test program to explore sensor longevity and durability within the flue passageways of a furnace. In 2006, CPSC awarded a contract to conduct longevity/durability tests of sensors within a gas furnace.

Goal: In 2007, staff will manage a test contract, analyze the data, and draft a report of the findings. Staff will also continue to work with Sandia National Laboratories (SNL) on the development of a sensor

for use in a gas furnace. SNL anticipates completion of this work in 2007

3. Support voluntary standards and codes.

Voluntary Standards

Staff will support the development or revision of voluntary standards for CO alarms, portable generators, and vented gas appliances (CO sensors).

Compliance

4. Voluntary Standards Compliance

Staff will monitor compliance with 1 existing voluntary standard likely to reduce CO poisoning-related deaths or injuries.

Consumer Information

Alert the public to the hazards of CO poisoning deaths through:

5. Consumer Outreach

The staff will reach 20.0 million consumers with CO safety messages through TV appearances and interviews on national television networks, video news releases (VNRs) to national and local television networks, and e-publications through CPSC's Web site. In 2006, about 14.6 million consumers were reached with safety information related to CO poisoning hazards through TV appearances, VNRs and Web publications.

6. Press Releases

The staff will issue 7 press releases or Web recall alerts for hazardous products presenting a risk of CO poisoning. In 2006, we issued 11 press releases and recall alerts related to CO hazards.

7. Conduct 4 public information efforts and/or partnerships with a trade association or safety advocacy group.

Home Heating

To remind the public of the continuing threat of CO in the home, we will highlight the need for routine maintenance of gas appliances. At the beginning of the home heating season, we will conduct one public information effort, such as issuing a news release, a video news release, a Podcast message, or holding a joint press event with the Centers for Disease Control and Prevention, to warn about CO hazards from home heating equipment, especially furnaces, gas heaters and generators.

Portable Gas Generators

During times of power loss, homeowners may be exposed to more CO because of improper use of consumer products, such as portable gas generators, to heat and provide power to their homes. CPSC has ongoing regulatory activity related to generators. CPSC will promote generator safety and related rulemaking activities using at least one communication tool such as a news release, a video, a Podcast and safety materials to help reduce generator-related deaths and poisonings, especially during hurricanes, tornadoes, floods, and/or blizzards.

CO Alarms

Throughout the year, CPSC will remind consumers of the importance of installing CO alarms and the need to change the batteries. CPSC will promote CO alarm use through the use of at least one communication tool such as news releases, safety alerts, or publications.

Natural Disaster Awareness

During times when there is loss of power, homeowners may be exposed to more risk of CO poisoning due to improper use of consumer products to heat and provide power to their homes. Staff will use at least one communication tool, such as a news release, radio public service announcement, TV public service announcement, or Podcast to address the CO dangers of consumer products used in the home during local or regional storm events.

CHILDREN'S AND OTHER HAZARDS

THE HAZARDS

Children's Hazards



Chemical Hazards



Children's hazards are associated with a wide range of consumer products. Examples of children's hazards include drowning hazards related to pools and other in-home products, choking and suffocation hazards related to some children's toys; strangulation, suffocation and entrapment risks to infants in sleep environments; strangulations from window blind cords and clothing drawstrings; unintentional ingestion of toxic household chemicals and various hazards with infant products such as old or improperly constructed high chairs and strollers.

CPSC has had a significant impact in reducing injuries and deaths for a number of children's hazards. For example, staff worked with industry to develop a voluntary safety standard to prevent baby walker-related head injuries from falls. Baby walker-associated injuries for children younger than 15 months decreased from 25,700 in 1992 to an estimated annual average of 4,100 from 2001 to 2003. Staff also recalled numerous toys and other products that present choking hazards to children.

CPSC seeks to reduce or prevent deaths or injuries due to ingestion, inhalation, or dermal exposure from hazardous substances in consumer products. We have played a prominent role in protecting children from the risk of lead and other chemical hazards. For example, Commission action has resulted in manufacturers eliminating the use of lead as a stabilizer in vinyl miniblinds, reducing the production of children's jewelry containing lead, developing and distributing guidance about lead on public playground equipment, recalling crayons that contained hazardous levels of lead, recalling toys with lead paint and issuing a policy statement to manufacturers, retailers, distributors and importers urging them to eliminate the use of lead and other hazardous chemicals in children's products.

The Poison Prevention Packaging Act (PPPA) authorizes CPSC to issue requirements for child resistant packaging for such products as drugs and other hazardous household chemical substances. Since the PPPA became law in 1970, deaths to children under 5 years of age have declined substantially. While child poisoning deaths have been relatively low for a number of years, the Commission has seen evidence that without continued surveillance, the death rate could increase. Unintentional ingestion of toxic household chemicals is associated with an annual average of 39 deaths to children under age 5, and an

⁵Unintentional ingestions are those not supervised or administered by an adult.

estimated 87,700 children treated in hospital emergency rooms. In 1999, there were 1 million calls to Poison Control Centers and about 79,000 children under 5 years of age were treated in U.S. hospital emergency rooms following ingestion of household chemicals and drugs. We estimate societal costs of almost \$2.3 billion for these poisoning incidents.

Household and Recreation Hazards



Household and recreation hazards are found throughout the nation's homes and affect many of our family activities. CPSC work in this area covers products such as lawn and garden equipment, power tools, and recreational equipment. Our past activities made significant contributions to household and recreation safety. For example, we improved lawn mower safety by establishing a standard addressing blade contact. We estimate that the lawn mower standard saves about \$1 billion in societal costs annually. The agency also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as in-line skating and biking.

Electrocution and Shock Hazards



In 2003⁶, there were about 160 deaths from consumer product-related electrocutions. In 2005, there were an estimated 5,100 consumer product-related electric shock injuries treated in U.S. hospital emergency rooms. Total societal costs in the U.S. associated with electrocutions and electric shock are about \$1.1 billion. The annual estimate of electrocutions has declined by 74 percent from 1975 to 2003. CPSC work on hair dryers, power tools, household wiring, garden equipment, and ground fault circuit interrupters has contributed significantly to this decline.

⁶2003 is the latest year for which complete fatality data is available.

2007 ANNUAL CHILDREN'S AND OTHER HAZARDS RELATED GOALS

Note: For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.

Annual Goals Summary		2002	2003	2004	2005	2006	2007
Safety Standards						•	
Prepare candidates for rulemaking	Goal	**	4	3	3	3	5
	Actual	0	2	1	0	1	
2. Present recommendations to voluntary standards	Goal	**	4	2	1	**	1
or code organizations	Actual	0	3	1	1	0	
3. Complete data analysis and technical review	Goal	15	11	21	21	21	22
activities	Actual	14	10	17	21	15	
4. Support voluntary standards and code revisions	Goal	8	45	50	51	52	49
	Actual	45	49	54	54	49	
Compliance							
5. Corrective action within 60 business days of	Goal	**	**	**	**	**	80%
preliminary determination (unregulated products)	Actual		77%	66%	78%	86%	
6. Corrective action within 35 business days of	Goal	**	**	**	**	**	85%
notice of violation (regulated products)	Actual		93%	81%	83%	79%	
7. Monitor existing voluntary standards	Goal	2	1	2	2	2	1
	Actual	3	1	2	2	2	
8. Conduct port-of-entry surveillance	Goal	**	1	2	2	1	1
	Actual	1	1	1	2	1	
Consumer Information							
9. Consumer Outreach (in millions)*	Goal	**	**	**	**	**	125.0
	Actual			100.8	86.8	283.6 #	
10. Issue press releases and recall alerts	Goal	28	33##	143	142	246	233
	Actual	165	135	156	268	257	
11. Conduct public information efforts/ partnerships	Goal	5	9	13	10	8	7
	Actual	9	8	10	7	9	

^{**}No goal established. --Data not available.

Safety Standards

1. Prepare for Commission consideration 5 candidates for rulemaking or other alternatives for:

All Terrain Vehicles (ATVs)

767 deaths (2004) 136,700 emergency room-treated injuries (2005) In recent years, there has been a dramatic increase in both the number of ATVs in use and the number of ATV-related deaths and injuries. According to the Commission's 2005 ATV annual report, the Commission has reports of more than 7,000 ATV-related deaths since 1982. The Commission is considering what actions, both regulatory and non-regulatory, it could take to reduce ATV-related deaths and injuries.

In 2006, staff conducted a comprehensive review of regulatory and non-regulatory options to address ATV hazards, including possible mandatory performance standards, offer of training requirements, point-of-sale requirements, age guidelines, and others. Staff also reviewed comments submitted in response to an ANPR. A briefing

^{*}The baseline data for this new goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

[#] This is unusually high due to extremely good press coverage of a number of items that arose in 2006.

^{##} Prior to 2004 this goal did not include recall alerts.

package was prepared for Commission consideration, and the Commission voted to issue an NPR.

Goal: In 2007, staff will review the comments submitted in response to the NPR and carry out further activities as directed by the Commission.

Bed Rails

19 deaths (Jan 1990- April 2006)

CPSC published an ANPR in 2000 and an NPR in 2001 to address bed rail entrapment and strangulation hazards. Subsequently, ASTM revised its voluntary standards and staff began evaluating industry conformance to the standard.

Goal: In 2007, the staff will complete a briefing package with recommendations for Commission consideration with regard to the open rulemaking, and the pending outcome of voluntary standards activities.

In 1996, CPSC began a rulemaking activity to address crib slat integrity. In 1999, the voluntary standard for cribs was revised to include performance requirements for crib slats. In 2003 and 2004, staff evaluated industry conformance to the voluntary standard. Conformance monitoring of crib slats was completed in 2005. In 2006, the staff delayed work on a briefing package pending the outcome of further work to better understand the causes for the continuing incidents.

Goal: In 2007, testing and development of information regarding the causes for the continuing incidents will continue. The most recent information indicates that this work will take longer than the staff originally anticipated. Therefore, the briefing package originally scheduled for completion in 2007 will be delayed. The staff will prepare a draft status report at the end of 2007.

In 2006, the Commission voted to issue an advance notice of proposed rulemaking (ANPR) to initiate rulemaking that could result in an amendment to the current ban on infant cushions and pillows.

Goal: In 2007, the staff will respond to public comments on the ANPR. Staff will prepare a briefing package for Commission consideration.

In 2006 the Commission was petitioned requesting a ban on jewelry containing more than 0.06% lead by weight.

Goal: In 2007, the staff will complete a briefing package with information on lead in jewelry and recommendations about the petition for Commission consideration. The staff will proceed as directed by the Commission.

Crib Slats

285 incidents 13 deaths 15 injuries (Jan 1985-Jan 2006)

Infant Cushions

Lead in Jewelry

2. Prepare and present recommendations to voluntary standards or code organizations to strengthen or develop 1 voluntary standard or code, as appropriate, for:

Hot Tubs and Spas (Hyperthermia)

Hyperthermia, a condition of increased core body temperature, can cause birth defects (neural tube defects) in humans and animals. Hyperthermia may be caused by fever or by external heat, such as through the use of spas or hot tubs. Current voluntary standards for hot tub and spa controls allow temperatures in a range that could result in adverse health effects, particularly for pregnant women. Staff completed an evaluation of a contractor report in 2006 and has received public comment on the report.

Goal: In 2007, staff will finalize the contractor report and staff assessment, addressing public comments. Based on this work, staff will also make recommendations for changes to the voluntary standard, as appropriate.

3. Complete 22 testing, data collection, hazard analysis, or technical review activities to evaluate the need for, or adequacy of, safety standards.

ATV Data Update

Goal: Staff will provide an annual ATV death and injury data update report (updated periodically since 1982). The data includes the total number of ATV-related deaths, deaths by state, risk of death by year, annual estimates of ATV-related hospital emergency room-treated injuries, and injuries distributed by year and age grouping. Injury trend data are also provided.

Bicycle Integrity and Illumination 80,000 injuries (2003)

The Federal Bicycle Regulation was last amended by CPSC in 1981. Since then, the evolution of bicycle technology has led to changes that are not currently covered by this standard. Voluntary standards coverage of new technology developments is limited. Bicycle injury rates remain high. While the majority of bicycle-related deaths occur during daylight hours, CPSC staff determined that a bicyclist is 2 to 4 times as likely to be killed riding at night as compared to daytime.

In 2006, staff reviewed the testing methods and requirements for bicycle structural components in ASTM and ISO standards to evaluate the adequacy of the voluntary standards. Staff also reviewed the current bicycle illumination/lighting-related data, bicycle lighting standards, and the bicycle lighting market.

Goal: In 2007, staff will complete selected bicycle structural and illumination evaluations. A report of this work will be completed in 2008.

Children's Hazards Data Compilation National and local efforts to address hazards may be enhanced by the use of CPSC data that documents product-related hazards to children. This information could also be helpful to parents and caregivers.

Goal: In 2007, staff will develop data on injuries and deaths to children across hazard areas. The data may include statistics related to fires, drowning hazards, poisoning from household chemicals, children's products, sports and recreational products, household products (such as window cords), and other hazard areas. The staff will prepare a draft report.

Chronic Hazard Guidelines

Work was begun in 2004 and continued in 2005 on the systematic review of the CPSC chronic hazard guidelines to develop revisions as appropriate to address scientific advances and new risk assessment methods. Staff work in 2006 was deferred due to higher priority work on lead in children's jewelry.

Goal: In 2007, staff will complete draft guidance addressing cross-cutting contemporary topics that broadly apply to toxicity and risk assessment.

Consumer Opinion Forum

The CPSC Web site provides a venue to solicit important information from consumers who volunteer to provide responses to staff questions about specific consumer behaviors. Such information can be useful for framing questions for scientific surveys, for providing information for future studies, or for providing anecdotal behavioral data regarding foreseeable use of products. Staff will maintain a subject list, ensure confidentiality, and evaluate operational procedures annually.

Goal: In 2007, staff will seek Office of Management and Budget approval for this type of survey and begin implementing the forum's operational procedures if approved. The staff will provide continued support of the forum by means such as developing sets of questions, posting questions as they are cleared for public dissemination, and retrieving and analyzing the results of the postings.

During CPSC's 2004 Pool Safety Hearings, a number of local

Drowning Prevention Information and Strategies

and Strategies programs/actions were referenced that address drowning hazards.

280 deaths (annual average 2001-2003 to children < 5)

Cool 1 2007 staff will average a group of the staff will average and the st

children <5)
2,200 pool submersion injuries (NEISS, average 2000-2005 to children <5)

Goal: In 2007, staff will examine programs from around the country that address drowning hazards, especially those that incorporate evaluation measures that indicate successful outcomes. Staff will identify key elements for successful safety campaigns and develop broad models for national and community drowning prevention programs.

Electric Toys

After a preliminary review of the Electric Toy Regulation, staff identified several changes/updates needed to standards and improvements needed for warning labels. In 2006, staff conducted a technical assessment of related standards and reviewed recommendations from interested parties to simplify the provisions for maximum allowable surface temperatures for electric toys and to address the emerging issue of outdoor electrical toys.

Goal: Staff will complete draft recommendations to change the requirements as appropriate in 2007.

Electrocution Data Update

Goal: In 2007, the staff will prepare updated national estimates of the number of consumer-product related electrocutions.

Globally Harmonized System (GHS)

In 2006, staff work comparing selected portions of the current Federal Hazardous Substances Act (FHSA) regulatory requirements to the corresponding Globally Harmonized System (GHS) classification and labeling requirements was deferred due to higher priority work on lead in children's jewelry.

Goal: In 2007, staff will complete a comparison of selected portions of the FHSA to the GHS to determine what differences exist and what changes might need to be made if GHS is implemented. Staff will prepare a report to the Commission.

Interagency Coordination

The purpose of this activity is to coordinate chemical hazard activities with other agencies, participate in international harmonization activities, and improve the scientific basis of agency risk assessments.

Participation provides a number of advantages to CPSC: toxicity tests worth millions of dollars on chemicals of interest to CPSC are performed at no cost to CPSC; staff can pool limited resources with other federal agencies to obtain exposure data or other information; it encourages the development of similar interpretations of scientific data and harmonized risk assessment methods among federal agencies; and it supports international harmonization of chemical hazard assessment.

Goal: In 2007, staff anticipates receiving a request from the Interagency Coordinating Committee on the Validation of Alternative Methods to review a validated test method that is an alternative to animal testing. Staff will prepare a draft status report summarizing the test method under review and staff progress on the evaluation. In 2008, staff will complete a briefing package for Commission consideration, along with staff's recommendation regarding acceptance of the test method.

Nanomaterials are the result of emerging technologies. They represent a wide range of compounds that may vary significantly in their structure, physical and chemical properties, and potentially in their behavior in the environment and in the human body from the larger scale materials from which they are made.

Goal: In 2007, staff will review scientific and economic information to investigate the use of nanotechnology in consumer products and its potential health implications. The staff will also collaborate with other Federal agencies to determine appropriate methodologies for analyzing nanomaterials. A draft status report with recommendations for future activities will be prepared.

Nanotechnology

Nursery Equipment Death and Injury Update

59,800 injuries (NEISS, 2005 estimate) 182 deaths (2002-2003) (annual average 61)

Pediatric Poisoning Fatalities Update

Pool Drowning Data Update

Pool Safety Handbook

244 pool drowning deaths 152 other home drowning deaths (2000-2002 annual average children <5 years old)

Public Playground Safety Handbook 199,600 injuries (2005 NEISS children <15 in all locations)

Self-Testing GFCIs

Goal: Staff will prepare its annual report on nursery product-related injuries and deaths to children under the age of 5.

CPSC has continued to track drugs and other hazardous household product-related pediatric poisoning fatalities for children under 5 years old in the U.S. Child fatalities have declined substantially since the Poison Prevention Packaging Act became law, from 216 deaths in 1972 to an estimated annual average of 39 deaths from 2001-2003.

Goal: Staff will update the annual report on Pediatric Poisoning Fatalities.

Goal: In 2007, the staff will update its annual report on pool drowning incidents involving children age 5 and under.

In 2006, the staff combined and updated the Safety Barrier Guidelines for Home Pools and Guidelines for Entrapment Hazards: Making Pools and Spas Safer. Staff intends the publication to become a single reference guide on pool safety issues.

Goal: In 2007, the staff will complete a draft, invite comment from the pool and spa safety community, and finalize the handbook.

In 2006, the staff completed draft revisions to the *Handbook for Public Playground Safety*.

Goal: In 2007, the staff will invite comment from the ASTM playground subcommittee members to update the revised handbook.

Since their introduction in the early 1970s, ground-fault circuit-interrupters (GFCIs) have contributed significantly to the reduction of electrocution and severe electric shock incidents. GFCIs, however, can fail so that an outlet can still provide power even though it no longer provides its safety function. Present designs of GFCIs require the user to manually test the devices to determine f they are still providing protection. Unless detected during such a manual test, present designs of GFCIs do no provide a warning that they have failed. In 2005, CPSC staff initiated discussions with industry regarding possible future improvements to GFCIs, such as self-testing. In 2006, staff worked with industry to initiate a study to define the characteristics of self-testing GFCIs and drafted a report.

Goal: In 2007, staff will finalize the human factors report and continue to work with industry to investigate technically viable

and economical solutions to development of self-testing GFCIS based on the 2006 study.

Senior Safety

7,500 fall-related deaths (ages 65 and over, 2003)

Special Packaging Study

39 deaths to children < 5 (annual average) 84,800 emergency room-treated potential poisonings (2004)

Strong Sensitizer Definition

Table Saws

1 death (1991-2001 annual average) 43,221 emergency room-treated injuries (2005) From 1997 to 2002, there was an increase in injuries to seniors. The rate of injury for persons 65 and older is higher than for adults ages 20 to 64. In addition, the rate of injuries to persons 75 and older is approximately twice that of persons 65 to 74. In 2005, staff completed a hazard screening report for persons 65 and older. In 2006, work on this activity was delayed due to higher priority work on generators.

Goal: In 2007, the staff will complete an evaluation of epidemiological and incident report data and draft a report of the results. The staff plans to identify common hazard patterns and determine likely age-related causes of injuries.

The Poison Prevention Packaging Act defines "special packaging" as packaging that is difficult for children under 5 years of age to open within a reasonable time but not difficult for adults to use properly. Staff would like to measure and quantify the ease of operating different packaging types. These data could then be applied to calculate relative ease.

Goal: In 2007, the staff will conduct a pilot study to determine the feasibility of quantifying potential differences in the time to open child-resistant vs. non-child-resistant packaging. The results of this work will be documented. If needed, the staff may then plan a study to conduct testing on a larger scale.

Previous staff work in response to the latex petition identified the need to update the regulatory definition of "strong sensitizer" because of recent scientific advances and the United Nations GHS mandate. Work will continue on the review of sensitizers in consumer products, with revision as appropriate to CPSC's definition. In 2006, staff prepared a package with draft recommendations and supporting rationale for possible changes to the definition of strong sensitizer.

Goal: In 2007, staff's report on draft proposed revisions of the FHSA "strong sensitizer" definition will be sent to other Federal agencies for peer review. Based upon comments received, staff will draft a report, along with recommendations, for Commission consideration.

Although staff has worked with industry to improve the protection from blade contact with table saws, there remains the concern that blade guards are inadequate and/or of poor design and can place the consumer at risk for severe injury. Industry is developing improved blade guard designs for table saws.

Goal: The staff anticipates that new blade guard designs will be available for consumers in 2007. Staff will develop a plan to

evaluate these guards to see if they are adequate to reduce blade contact injuries.

Toy Data Annual Update

20 reported deaths to children < 15 (2005) 202,300 injuries (NEISS, 2005 estimate)

Goal: Staff will prepare its annual update on toy-related deaths and injuries.

4. Support the development/revision of voluntary standards and codes.

Voluntary Standards

Staff will support the development or revision of 49 voluntary standards for ground fault circuit interrupters, bath seats, infant tubs, portable pools, pools and spas, suction release devices, swimming pool alarms, baby bouncers, baby gates, baby swings, baby walkers, bassinets/cradles, bed rails, toddler beds, blind cords, booster seats, bunk beds, diaper changing tables, cribs, commercial cribs, high chairs, infant bedding and accessories, infant carriers, frame infant carriers, soft infant carriers, playground equipment for children under 2, home playground equipment, public playground equipment, soft playground equipment, playground surfacing, play yards, strollers, toys, children's folding chairs, furniture, child resistant packaging, gasoline containers, ATVs, portable amusement rides, bicycles, garage door and gate operators, recreational helmets, hot tubs/spas, ladders, ride-on mowers, paintball guns, table saws, motorized scooters, and hunting tree stands.

Compliance

5. Corrective Action Timeliness (Unregulated Products)

Each investigation involving a hazard will culminate in a preliminary determination that a product is or is not defective. If the product is determined to be defective, the Compliance Officer will begin negotiating with the responsible company to obtain a voluntary corrective action. For defects that pose a risk of serious injury, the Compliance Officer will seek a consumer-level recall, which usually involves a free repair or replacement of the product or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production. This new annual output goal establishes a target for the percentage of cases where corrective action is negotiated and commenced within 60 business days after a firm is notified of the staff's preliminary determination.

6. Corrective Action Timeliness (Regulated Products)

Compliance staff regularly conducts surveillance activity to check compliance of products with CPSC mandatory standards. Samples collected by investigators in the Field are sent to the CPSC Laboratory for analysis. Additional technical analysis is often conducted by CPSC technical experts. When it is determined that a product violates CPSC standards, a Compliance Officer sends a letter of advice (LOA) to the manufacturer, importer or retailer. For violations posing a serious risk of injury, the letter will seek a consumer-level recall (unless the sample was collected at a port of

entry and no products have been distributed within the United States). For less serious violations, the letter may seek a lesser corrective action, such as stopping sale of the violative products and correction of future production. This new annual output goal establishes a target for the percentage of cases where corrective action is negotiated and obtained within 35 business days after the LOA is issued.

7. Voluntary Standards
Compliance

Staff will monitor compliance with 1 existing voluntary standard likely to reduce children's and other hazards.

8. *Import Surveillance*

Staff will conduct port-of-entry surveillance for 1 product for which safety standards are in effect. In 2006, with U.S. Customs and Border Protection, we detained about 83 shipments consisting of over 367,000 toys and other children's products, mainly for violations of the small parts regulation. The Office of International Programs and Intergovernmental Affairs will continue to conduct activities and create strategies aimed at ensuring greater import compliance with recognized safety standards.

Consumer Information

Alert the public to children's and other hazards through:

9. *Consumer Outreach*

Staff will each 125.0 million consumers with safety messages related to children's and other hazards through TV appearances and interviews on national television networks, video news releases (VNRs) to national and local television networks, and epublications through CPSC's Web site. In 2006, about 283.6 million consumers were reached with safety information related to children and other hazards through TV appearances, VNRs and Web publications. About a third (34%) of the total TV appearance audience in 2006 was due to appearances related to ATV safety and about half the total VNR audience (93.9 million out of 109.0 million) was due to TV coverage of two recalls - furniture tipover and a toy tool bench.

10. Press Releases

Staff will issue 233 press releases and recall alerts to inform the public about hazardous products related to children's and other hazards. In 2006, we issued 257 press releases and recall alerts on hazardous products.

11. Conduct 7 public information efforts to warn the public about other hazards

All Terrain Vehicles (ATVs)

We will continue information and education activities begun in 2006 focusing on preventing injuries and deaths to both children and adults from ATVs. We will continue to focus on states with the highest proportion of injuries and deaths, using grassroots communication tools, such as local media tours and distribution of editorials for print media. In addition, a multi-faceted Web page dedicated to ATV safety will continue to be promoted using such

tools as public service announcements and media interviews with information for state officials, parents, children, and the press.

Back to School Safety

CPSC is planning many coordinated activities to increase public awareness of child safety issues during the upcoming school year. Our campaign will continue to promote CPSC's *Back to School Safety Checklist* and offers tips on making schools and playgrounds safer by issuing a press release and by holding a press availability event.

Child Care Safety Campaign

CPSC staff will conduct a major grassroots outreach campaign, with the support of multiple non-profit partners, to educate parents and child care facilities on the possible dangers of certain durable goods found in many daycare centers. CPSC staff will distribute a new *Neighborhood Safety Network* poster, and an updated child care safety checklist to the National Safety Council, Safe Kids Worldwide, Kids in Danger, the New Parents Network, and *Neighborhood Safety Network* members.

Child Drowning Prevention

We will expand our public information efforts, such as partnerships with child safety organizations, to continue our work in reducing child drownings. CPSC will continue to issue its annual news release and VNR before Memorial Day to inform consumers about drowning hazards to children associated with pools and standing water, such as may be found in buckets and bathtubs. Also as a part of this effort, we will issue a poster for our *Neighborhood Safety Network* partners about preventing in-home drowning.

Electrical Safety

In recognition of National Electrical Safety Month in May, CPSC will use at least one communication tool such as a news release and/or a safety poster for use by *Neighborhood Safety Network* members to keep consumers vigilant of electrocution and electric shock hazards. CPSC will also promote any work completed by staff related to self-testing GFCIs.

Poison Prevention

Throughout the year and during National Poison Prevention Week, we will promote the benefits of child-resistant packaging to prevent children's poisonings, using activities such as radio interviews, local press publications, and partnering with other injury prevention organizations, as appropriate.

Smart Holiday Shopping / Toy Safety During the fall holiday season, we will continue efforts to educate parents and caregivers on the appropriate products for appropriate ages using such communication tools as a press conference, a news release, interviews, and a *Neighborhood Safety Network* poster. We will also continue at this time of year to encourage consumers to be aware of the various Web sites that may assist them in the future to identify products of concern. As part of our drive to remove recalled products from the public domain, we will continue to build upon the success of our Web site, www.cpsc.gov, and the www.recalls.gov Web site for notifying consumers about

recalled products by repeatedly mentioning them in our press release and in interviews for this campaign. We will use at least one communication tool such as a news release, video, Podcast, *Neighborhood Safety Network* alert, or national news event to warn about the hazards associated with a wide range of children's products, such as toys or infant products.



INTERNATIONAL PROGRAMS AND INTERGOVERNMENTAL AFFAIRS

THE PROGRAM⁷

Over one-third of all consumer products under CPSC jurisdiction are imports, but over two-thirds of CPSC recalls involve imported products. In an effort to ensure greater import compliance with American safety standards, CPSC established the Office of International Programs and Intergovernmental Affairs (IPIA). This Office coordinates efforts with other countries regarding safety standards development and harmonization, and inspection and enforcement coordination. A major emphasis of this program is helping foreign manufacturers establish product safety systems as an integral part of manufacturing. CPSC provides background information and rationale as well as suggestions for how to implement a comprehensive approach to manufacturing safe products that will comply with U.S. standards, thus reducing consumer product-related deaths and injuries. This program cuts across all hazard types and complements all other CPSC work.

A major accomplishment of the program was the signing of an Action Plan on Consumer Product Safety with the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) of the People's Republic of China in August 2005. The Plan (http://www.cpsc.gov/businfo/china/planaction.pdf) outlines specific cooperative actions to be taken by AQSIQ and CPSC to improve the safety of consumer products manufactured in China for sale in the United States. Planned activities include a biennial Consumer Product Safety Summit, annual meetings of Working Groups in four priority product areas (cigarette lighters, electrical products, fireworks, and toys), an Urgent Consultation mechanism, and technical cooperation, training, and assistance.

⁷Resources for this effort are included in the major program, Reducing Product Hazards to Children and Families, which this activity supports.

2007 ANNUAL INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS GOALS

Annual Goals Summary		2002	2003	2004	2005	2006	2007
China Program							
1. Working groups	Goal	**	**	**	**	2	4
	Actual					2	
2. China program plan update	Goal	**	**	**	**	1	1
	Actual					1	
Memoranda of Understanding (MOUs)							
3. Agreements with foreign countries	Goal	**	**	**	**	3	3
	Actual			2	4	5	
4. Annual MOU review	Goal	**	**	**	**	5	3
	Actual		ŀ			5	
Communication			•				•
5. International activities Web page	Goal	**	**	**	**	**	1
	Actual						

^{**}No goal established for that year. --Data not available.

CHINA PROGRAM

1. Working Group Meetings

The 2005 Plan of Action between CPSC and China's AQSIQ established Working Groups in four priority product categories – electrical/electronic products, toys, fireworks and cigarette lighters. The Working Groups aim to establish a mechanism for long-term dialogue; increase understanding of each country's relevant technical regulations and standards; share frequent failure scenarios; and investigate strategies to improve safety and regulatory compliance. Working group activities may include such things as industry-specific seminars, retail/vendor training seminars, foreign delegation briefings, and roundtables with stakeholders. The quality of this training may be measured in the future through metrics such as satisfaction surveys.

Goal: In 2007, staff plans to hold Working Group Meetings in all four priority product areas.

2. China Program Plan Update

In May 2005, staff published the "International Consumer Product Safety Program Plan – China" detailing activities to improve the safety of consumer products imported from China. The plan is modified annually.

Goal: In 2007, staff plans to update the China Program Plan.

MEMORANDA OF UNDERSTANDING (MOUS)

3. Agreements with Foreign Countries

CPSC has MOUs with a number of foreign governments. These agreements, signed with CPSC's counterpart agencies in other countries or regions, establish closer working relationships between the signatories, provide for a greater and more significant exchange of information regarding consumer product safety, and may include plans for informational seminars and

training programs. By the end of 2006, CPSC had signed MOUs with eleven countries.

Goal: In 2007, staff anticipates signing MOUs with three additional countries.

4. Annual MOU Review

Once MOUs are in place, annual review is required in some cases to keep the documents and agreements current.

Goal: In 2007, staff will review three MOUs.

COMMUNICATION

5. International Activities Web Page

CPSC is creating a specific section of its Web site to provide detail of the agency's international programs, access to the formalized cooperative agreements with international counterparts and the electronic copies of the *CPSC Handbook for Manufacturing Safer Consumer Products* (available in both English and Mandarin). The International Activities section of the Web site is especially useful to international manufacturers seeking the relevant regulations, standards and testing expectations for products bound for the U.S. market.

Goal: In 2007, staff plans to update the International Activities section of www.cpsc.gov.

BUDGET PROGRAM: Identifying Product Hazards

INTRODUCTION

The work in this program provides the information needed to assess product hazards and apply hazard reduction strategies. The program has two activities: Data Collection and Emerging Hazards/Data Utility.

2005-2007 RESOURCES BY HAZARD (DOLLARS IN THOUSANDS)											
	2005 Actual 2006 Actual 2007 Request										
	FTEs Amount FTEs Amount FTEs Am										
Data Collection	85	\$10,600	80	\$11,361	71	\$11,432					
Emerging Hazards/Data Utility	13	1,961	9	1,326	10	1,455					
TOTAL	98	\$12,561	89	\$12,687	81	\$12,887					

HOW WE IDENTIFY HAZARDS

CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. We systematically analyze this information to determine where hazards exist and how to address them. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. This work provides underlying support to all of CPSC's safety activities.

Product-Related Injuries. Each year, we collect information about product-related injuries treated in hospital emergency rooms through our National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many CPSC activities. Several foreign governments have modeled their national injury data collection systems after CPSC's system. Annually, NEISS supplies over 360,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically and, in some cases, the data is available within 24 hours after an incident.

In 2000, NEISS was expanded to provide data on all traumarelated injuries. This expanded data provides other Federal agencies, researchers, and the public with more comprehensive information on injuries from all sources, not just consumer products. The Institute of Medicine recommended the expansion of NEISS into an all-injury system. The effort is being supported by reimbursable funds of approximately \$2 million from the

Centers for Disease Control and Prevention. The reimbursable funds allow us to collect non-consumer product injury data, while we continue collecting consumer product injury data with CPSC funds.

Product-Related Deaths. CPSC also collects mortality data. We purchase, review, and process about 8,000 death certificates each year covering unintentional product-related deaths from all 50 states. Our Medical Examiner and Coroner Alert Project collects and reviews an average of more than 4,300 additional reports from participating medical examiners and coroners throughout the country. We also collect and review an average of 8,000 news clips and 12,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments, and others.

Fire-Related Injuries and Deaths. Staff began an evaluation of a new system for collecting fire death data in 2006 based on a review of data collected on fires for 1999. Additional death data collection and investigation for this new system is being suspended pending this review, resulting in temporary cost savings. The new system involves collecting fire incident data from fire departments and death certificates with follow-up investigations of incidents. In 2008, pending the outcome of staff's review, we may resume collection and analysis of fire death data and will continue to collect and evaluate fire injury data.

Data Utility/Emerging Hazards. CPSC staff has systematically reviewed death and injury data and associated cost data by product grouping (such as heating, cooking, ventilating equipment, general household appliances, children's products, and home workshop tools) and conducted other emerging hazard reviews. We are conducting special studies in areas identified by the strategic planning process, data reviews, or other staff activity. An investigation begins with careful review of all incoming reports to identify those most important for further study. These cases are followed up with a telephone interview and continued, if appropriate, with an on-site investigation when information is needed on how specific types of injuries occurred. The resulting information shows the interaction among the victim, the product, and the environment, and forms the basis for developing appropriate remedial strategies. We also continue to screen all incoming data daily to identify products that may be associated with increasing numbers of injuries.

We continue to conduct economic studies to provide specialized economic information to staff, Commissioners, other agencies, and the public. Staff develops injury cost projections to estimate potential benefits associated with agency actions. We generate estimates of numbers of products-in-use to determine potential recall effectiveness and consumer exposure to product hazards, and to support of agency hazard analysis work.

The public may file a petition requesting that CPSC regulate a consumer product under its jurisdiction. In response to these petitions, staff may prepare briefing packages for Commission consideration to grant or deny the petitions.

SETTING TARGETS

For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.



DATA COLLECTION

THE PROGRAM

This program provides the information needed to assess product hazards and develop injury reduction strategies; it is the agency's early warning system. CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for those products under our jurisdiction. We also investigate specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. These activities reflect the agency's commitment to making decisions based on appropriate data analyses. The work provides underlying support to all of CPSC's Results Act activities.

2007 ANNUAL DATA COLLECTION GOALS

Note: For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect resource reductions, as appropriate.

Annual Goals Summary		2002	2003	2004	2005	2006	2007
1. Evaluate, train and audit each hospital in	Goal	100%	100%	100%	100%	95%	95%
the NEISS sample	Actual	100%	100%	98%	99%	100%	
2. Capture the product-related cases	Goal	90%	90%	90%	90%	90%	90%
	Actual	94%	94%	93%	92%	91%	
3. Complete headquarters telephone	Goal	85%	85%	85%	90%	90%	90%
investigations in less than 45 business days	Actual	95%	99%	100%	99%	100%	
4. Complete fire investigations as on-site or	Goal	**	**	**	**	**	95%
other in less than 45 business days	Actual	97%	94%	91%	97%	95%	
5. Complete non-fire investigations as on-site	Goal	**	**	**	**	**	93%
or other in less than 45 business days	Actual	92%	94%	90%	97%	93%	
6. Increase the number of Compliance	Goal	**	**	**	**	**	400
inspections by field staff to 400	Actual	901	585	417	274	320	
7. Sustain the number of incident reports	Goal	2,800	3,600	3,600	3,600	4,160	3,900
collected from medical examiners and	Actual	4,165	3,774	4,514	4,428	4,843	
coroners							
8. Sustain the number of incident reports	Goal	5,000	6,000	7,000	7,000	8,100	7,300
collected from news clips	Actual	7,101	8,131	7,870	8,766	8,634	

^{**}No goal established.

Maintain the quality of injury data.

1. *Monitoring Hospitals*

Staff will conduct at least one evaluation visit at 95 percent of the hospitals in the NEISS sample. Evaluation visits provide CPSC staff an opportunity to review hospital records and assure that hospital coders are capturing and reporting data on the highest possible percentage of reportable cases.

2. Capturing Product-Related Cases

The results of the audits in each hospital should indicate that NEISS hospitals are reporting over 90 percent of the product-related cases. A high reporting percentage is necessary to assure the integrity of the estimates. Remedial action would be implemented in any hospital that is missing signific ant numbers of reportable cases.

Identify and investigate product hazards in the field.

3. Telephone Investigations (Headquarters)

Staff will complete at least 90 percent of investigations in fewer than 45 business days. The headquarters telephone investigations provide valuable information on specific NEISS cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

4. On-site and Other Fire Investigations (Field) – Timeliness

Field staff will complete at least 95 percent of on-site and other fire investigations (not including telephone investigations) in fewer than 45 business days. These investigations provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

5. On-site and Other Non-Fire Investigations (Field) – Timeliness Field staff will complete at least 93 percent of on-site and other non-fire investigations (not including telephone investigations) in fewer than 45 business days. These investigations provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

6. Compliance Inspections

Field staff will increase the number of Compliance inspections to 400 inspections.

7. Medical Examiner/Coroner Reports

Staff will obtain 3,900 medical examiner/coroner reports. These reports provide critical information on product-related deaths. The data are especially valuable because unlike death certificates, they are generally received soon after the incident and provide some detail on how the incident occurred.

8. News Clips

Staff will obtain 7,300 incident reports from news clips. CPSC relies on clips from newspapers in all 50 states to identify incidents. These clips provide many reports of product-related deaths, serious injuries, and hazardous fires. The reports fill gaps in reporting from other data systems and provide a very important source of incidents to investigate in support of hazard identification and analysis activities.

DATA UTILITY



STRATEGIC GOAL: Improve the utility of CPSC's data through 2009 by developing and implementing a more systematic method to identify new strategic goal areas, hazard reduction projects, and remedial actions.

THE PROGRAM

Improvements in the overall utility of CPSC data are necessary for the agency to focus its resources effectively. To improve the utility of the data, we will more systematically review and analyze death and injury data and identify areas where we must obtain more information in order to develop effective strategies to reduce deaths and injuries.

Each year, CPSC collects incident data involving consumer products. Incidents are screened on a daily basis and routinely summarized. Selected incident information is expanded by conducting follow-up investigations of individual incidents, either by telephone or through on-site visits. The follow-up investigations provide an opportunity to examine the interaction between the product involved in the incident, the environment in which the incident occurred, and the injured person.

While these methods have worked effectively in the past, increasingly limited FTE resources require that we target agency efforts more systematically and prioritize our efforts through the strategic planning process. Staff completed development of a new data review system that will help identify promising strategic goal areas and hazard reduction projects to incorporate into our Strategic Plan, as well as provide insight into potential remedial actions. Hazard screening reports completed under this new system will be updated in future years, as appropriate.

2007 ANNUAL DATA UTILITY GOALS

Annual Goals Summary		2002	2003	2004	2005	2006	2007
1. Complete analysis of product areas and	Goal	*	2	4	4	4	1
other emerging hazard reviews	Actual	-	2	5	6	4	
2. Conduct special studies	Goal	*	**	1	2	2	**
	Actual	ı	0	1	2	2	
3. Conduct special economic studies	Goal	*	**	10	8	8	8
	Actual	19	9	10	8	11	
4. Respond to petitions	Goal	*	**	3	3	3	3*
	Actual	3	4	5	3	4	

^{**}No goal established.

^{*}This goal is an estimate based on prior years' experience. The actual number of petition responses will be based on the number of petitions the Commission receives and other safety-related issues that arise during the year.

1. Product Area/Emerging Hazard Analyses

Staff will conduct 1 review of injury, incident, death, market, and cost data in a product-related hazard area or conduct an emerging hazard review. As appropriate, injury and death data, poison control center data, market/exposure data, toxicity data, medical/physiological/ engineering analysis, literature searches, and laboratory assessments will be used to identify and evaluate new and existing hazards.

2. *Special Studies*

Staff will conduct special studies such as those using telephone interviews and on-site investigations to determine the circumstances surrounding injuries or deaths associated with a product or hazard of interest. No special studies are planned for 2007, primarily due to loss of staff.

3. Special Economic Studies

Staff will conduct economic studies to provide injury cost estimates; estimates of product life and numbers in use; and general and small business impacts, such as costs of production, environmental impact, labeling, and recalls. We will maintain econometric models through periodic review to assure that methodological approaches and models are current and adequate for CPSC use.

4. Petitions

Staff will prepare briefing packages in response to petitions. In 2006, staff prepared 4 briefing packages in response to petitions on all-terrain vehicles, candles, table saws, and infant cushions.

QUALITY AND MANAGEMENT GOALS

INTRODUCTION

In support of our two core budget programs, "Reducing Hazards to Children and Families" and "Identifying Product Hazards," we conduct activities designed to maintain and improve outstanding agency service and management. In the area of service quality, we focus on ways to better provide industry services, satisfy our customers, and improve the quality of our data. We have both long-term strategic goals and annual performance goals in each service quality area. We also have annual performance goals in response to the President's Management Agenda.

These activities are in support of our core program effort, thus the resources devoted to the Quality and Management Goals are also included in the resources shown earlier for the core programs.

SETTING TARGETS

For 2006 and 2007, we reduced resource levels and annual performance targets to reflect resource reductions, as appropriate.

2005-2007 RESOURCE	ES BY F	AZARD (D	OLLARS	IN THOUS	ANDS)				
	200	5 Actual	200	6 Actual	2007 Request				
	FTEs	Amount							
Data Quality	1.7	\$212	0.5	\$64	0	\$0			
Industry Services	15	1,530	15	1,580	13	1,481			
Customer Satisfaction	17	2,416	17	2,488	13	2,003			
President's Management Agenda	5	495	5	510	7	850			
TOTAL	38.7	\$4,653	37.5	\$4,642	33	\$4,334			

Note: The resources shown are also included in the program resources for the agency's two major programs: Reducing Hazards to Children and Families and Identifying Product Hazards.

DATA QUALITY



STRATEGIC GOAL: Improve the quality of CPSC's data through 2009 by improving the accuracy, consistency, security, and completeness of CPSC's data.

THE PROGRAM

Improvements in the overall quality of CPSC data are necessary if the agency is to be able to continue to achieve its mission in the future, both in the near term and in the long run. The quality of inhouse databases that track agency activity needs to be upgraded and better maintained. Failure to improve these basic operations could present significant risks to future agency functioning.

Data Quality refers to fitness-of-use, including accuracy and reliability, of the data held within our computer systems. Further evaluation of our data systems would, for example, determine whether the data had been entered accurately, are internally consistent and complete, and are secure. While most of CPSC's data systems already meet these criteria, a few do not. To improve data quality in these areas, we will need to determine what problems exist and find data quality tools, policies, and processes to improve these systems.

In 2007, work on this important goal will be deferred due to staff vacancies and because of database initiatives undertaken by the Office of Information and Technology Services.

2007 ANNUAL DATA QUALITY GOALS

Annual Goals Summary		2002	2003	2004	2005	2006	2007
1. Implement improvement activities	Goal	**	**	**	**	2	0
	Actual					1	
2. Conduct data quality planning activities	Goal	**	**	1	1	1	0
	Actual		0	1	1	1	
3. Assess data quality	Goal	**	**	2	3	3	0
	Actual		0	1	3	3	

^{**}No goal established. --Data not available.

- 1. Improvement activities.
- 2. Planning activities.
- 3. Assessing data quality.

In 2007, work in all three areas is being postponed due to staff vacancies and the need to coordinate with a planned platform migration. This coordination will minimize the resources used in both efforts.



INDUSTRY SERVICES

STRATEGIC GOAL: Maintain success with the timeliness and usefulness of the Fast Track Product Recall and the Small Business Ombudsman programs for industry through 2010.

2007 ANNUAL INDUSTRY SERVICES GOALS

Note: For 2006 and 2007, we reduced resource levels and reduced some annual performance targets to reflect

resource reductions, as appropriate.

Annual Goals Summary		2002	2003	2004	2005	2006	2007
1. Initiate a recall within 20 days	Goal	90%	90%	95%	95%	90%	90%
	Actual	95%	95%	96%	94%	98%	
2. Respond to requests within 3 business	Goal	80%	80%	80%	80%	80%	85%
days	Actual	99%	88%	82%	94%	69%*	
3. Develop guidance documents	Goal	5	5	5	5	5	5
	Actual	5	7	8	8	8	

^{*}In 2006, there were technical problems with the database that resulted in incorrect calculations.

1. Fast Track Timeliness

Staff will complete a technical review and initiate a recall within 20 days 90 percent of the time for the Fast Track Program.

2. Ombudsman Timeliness

Staff will respond to requests from small businesses through the CPSC Small Business Ombudsman within 3 business days 85 percent of the time.

3. Guidance Documents

Staff will develop brief guides or other guidance documents for CPSC regulations so that industry can quickly and easily understand how to comply. Five additional guidance documents will be developed to explain regulations, other policies or procedures, or to assist industry in complying with CPSC regulations.



CUSTOMER SATISFACTION WITH CPSC SERVICES

STRATEGIC GOAL: Sustain the high level of customer satisfaction with the CPSC Web site, hotline, Clearinghouse, and State Partnership Program through the year 2010.

THE PROGRAM

In addition to our work reducing hazards associated with consumer products, we provide additional services to the public in the form of information services, including the agency's Internet Web site, hotline, the National Injury Information Clearinghouse, and the State Partners Program. These resources are used both to provide safety information to, and receive information from, the public. Customer satisfaction with these services is vital if CPSC is to fulfill its mission.

Our Web site (www.cpsc.gov) provides Internet access to CPSC resources and allows the public to view information about recalled products, report unsafe product incidents, request information, and download safety information. The hotline is a toll-free service that allows consumers to report product complaints or product-related injuries, learn about recalls and safety hazards, and obtain safety publications. The National Injury Information Clearinghouse provides data to the public in response to over 2,500 requests each year. It also alerts manufacturers to potential hazards associated with their products, providing them with consumer complaints, reported incidents, and incident investigations involving their products. Our State Partners Program, using limited CPSC funds and CPSC-developed safety information, brings product safety services to consumers through cooperative programs with state and local governments. The program extends our reach throughout the nation.

2007 ANNUAL CUSTOMER SATISFACTION GOALS

Annual Goals Summary		2002	2003	2004	2005	2006	2007
CPSC Web Site							
1. CPSC Web site visits (in millions)	Goal	7.0	8.0	10.0	11.0	18.0	25.0
	Actual	7.9	9.2	11.9	13.7	20.3	
Hotline Services (1-800-638-2772)							
2. Respond to voicemail messages the	Goal	85%	85%	85%	85%	85%	85%
next business day	Actual	86%	92%	96%	86%	89%	
3. Process incident reports within 8	Goal	85%	85%	90%	95%	95%	100%
working hours	Actual	100%	100%	100%	100%	100%	
National Injury Information Clearing	ghouse						
4. Mail incident information for	Goal	95%	95%	95%	95%	95%	95%
verification to consumers within 2	Actual	100%	98%	99%	95%	100%	
business days							
5. Provide manufacturers with verified	Goal	90%	90%	90%	90%	90%	90%
incidents and investigations within	Actual	79%	95%	95%	95%	96%	
48 business days							
6. Provide responses to requests within	Goal	95%	95%*	95%*	95%*	95%	95%
7 business days	Actual	96%	97%	97%	99%	98%	
State Partners Program							
7. Conduct product safety activities	Goal	**	**	**	**	**	88%
within 90 days or less	Actual	86%	79%	81%	87%	95%	
8. Host state caucus training sessions	Goal	**	**	**	**	**	1
	Actual	0	0	0	0	0	

^{*}Starting in 2006, this goal was changed from 5 to 7 business days due to reduction in staff.

CPSC Web Site

1. Web Site Visits

CPSC's Web site (www.cpsc.gov) was established to widen and speed public access to important safety information. The site started out simply, allowing for the retrieval of basic information such as press releases (usually announcing product recalls) and the agency's public meeting calendar. Over time, new features have been added, such as allowing the public to make online reports of product hazards and providing the ability to search and download data from our National Electronic Information Surveillance System (NEISS).

The number of users of the Web site has grown rapidly from about 200,000 visits in 1997 to about 20.3 million visits in 2006. Based on a customer feedback survey and a review of our Web site, we plan to implement changes that will improve the ability to access safety information.

Goal: In 2007, we anticipate that we will have 25 million visits to CPSC's Web site.

^{**}No goal established.

Hotline Services (1-800-638-2772)

2. Voicemail

The hotline maintains high levels of customer satisfaction through administering a performance-based contract for hotline operators who deal directly with the public. Under this type of contract, we evaluate the performance and renew the contract only if the performance level meets or exceeds the standards set forth in the contract. This includes maintaining the hotline automated message system, maintaining the system for responding to e-mail messages, and preparing reports on consumer usage of these systems. In 2006, we received about 2,800 messages from the public through voicemail.

Goal: In 2007, hotline staff will respond to voicemail messages the next business day 85 percent of the time.

3. *Incident Reports*

Consumers may make a complaint of an unsafe product or product-related injury through the hotline. In 2006, hotline staff processed over 4,000 complaints about consumer products, and 100 percent were completed within 8 working hours. We use these complaints to look for emerging hazards and to support studies of specific product hazards.

Goal: Hotline staff will process product incident reports within 8 working hours 100 percent of the time.

National Injury Information Clearinghouse

4. Consumer Confirmation

The Clearinghouse contacts consumers to request verification of information contained in reports of unsafe products submitted to us through our consumer hotline, the Internet, or by mail. Requests for verification are mailed to consumers within 48 hours after the report arrives in the Clearinghouse. In 2006, we sent nearly 11,000 reports to consumers for verification and 100 percent were completed within two business days.

Goal: Staff will mail incident report verification information to consumers within 2 business days 95 percent of the time.

5. *Manufacturer Mailing*

The incidents from consumers and investigation reports from CPSC's field staff are sent to manufacturers whose products are named in these reports. Consumer verification information and manufacturer responses are also made available to staff electronically for review. In 2006, we mailed about 9,000 reports to manufacturers and 96 percent were completed within 48 business days. The number of business days is calculated from the date the incident or investigation is received in the Clearinghouse and includes 20 business days of waiting for a response verifying the information from the complainant.

Goal: Staff will provide reported incidents and completed investigation results to manufacturers of identified products within

48 business days of receiving the reports in the Clearinghouse 90 percent of the time.

6. Information Requests

The Clearinghouse provides the public with technical information relating to the prevention of death and injury associated with consumer products. Requests for injury data are assigned to technical information specialists who search agency databases and publications to tailor responses to each customer's needs. Most of the 2,400 requests received on average each year are completed within five business days. In 2006, staff provided responses 98 percent of the time within 5 business days.

Goal: In 2007, staff will provide responses to requests for information within 7 business days 95 percent of the time.

State Partners Program

7. *Product Safety Activities*

CPSC's State Partners program works in cooperation with a group of state and local officials to deliver CPSC services to consumers, including recall checks, inspections, and in-depth injury investigations to support CPSC priorities.

Goal: In 2007, staff will conduct 88% of product safety activities including recall checks, inspection, and in-depth investigations within 90 days or less.

8. State Caucus Training

State and local officials work with CPSC on cooperative activities that complement those performed by CPSC field staff and are done at little or no cost to CPSC. Staff will host training for these officials.

Goal: The staff will host 1 annual training session for state and local officials.



D. PRESIDENT'S MANAGEMENT AGENDA

INTRODUCTION

The President envisions a government that has a citizen-based focus, is results-oriented, and is market-based. To improve the functioning of the Federal Government and to achieve efficiencies in its operations, the President has highlighted five government-wide management initiatives. They are: Strategic Management of Human Capital, Competitive Sourcing, Improved Financial Performance, Expanded Electronic Government, and Budget and Performance Integration. The Commission has taken a number of steps to support the management initiatives in the areas delineated in the President's Management Agenda, which allow us to achieve our goals while managing public resources with prudence.

Strategic Management of Human Capital

Annual Goals Summary		2002	2003	2004	2005	2006	2007
Modify the appraisal system	Goal	**	**	1	1	1	0
	Actual			1	1	0	
2. Identify skill gaps	Goal	**	**	1	1	1	1
	Actual			0	0	0	
3. Maintain the recruitment process time	Goal	62	62	62	62	62	62
	Actual	61	51	60	61	61	
4. Conduct training for managers in human	Goal	2	2	2	1	2	2
resource management	Actual	2	2	3	2	4	
5. Conduct focus groups of new employees	Goal	2	2	2	2	1	1
	Actual	2		2	2	1	
6. Target recruitment efforts to organizations	Goal	10	10	10	12	12	8
serving under-represented populations	Actual	11	12	12	14	14	
7. Conduct training sessions in EEO/AEP	Goal	3	3	3	3	3	3
responsibilities	Actual	4	8	10	10	4	
8. Promote representation of Hispanics and	Goal	5	5	5	5	5	5
individuals with disabilities	Actual	6	7	12	13	10	
9. Identify and promote low/no-cost training	Goal	1	1	1	1	1	1
	Actual	1	1	1	1	1	

^{**}No goal established. --Data not available.

1. Appraisal System

Staff revised CPSC's Senior Executive Service (SES) Performance Management System performance elements and standards in 2004 to include measures of success in meeting agency goals in our annual performance plans. In 2005, we revised the elements and

standards for the remainder of the employees. In 2006, we monitored the use of the SES performance elements and standards. We deferred implementation of a new system for GS employees to 2008 because significant staff resources and training money are not currently available for this activity.

2. Skills Analyses

In 2004, we developed competencies for some of our mission critical positions. In 2006, core competencies were developed for managers and supervisors as well as several mission critical positions. A contract was not awarded for this effort in 2006 due to higher priority work.

Goal: In 2007, we will identify skill gaps and develop training plans for new supervisors. Work for other occupational series will be deferred due to reduced staff.

3. Recruitment Time

Staff maintained the recruitment process time, calculated as the difference in the number of days between the recruitment request and the candidate selection date, at an average of 61 days for 2006. This number is well below the 2002 government average of 102 days.

Goal: Staff will maintain the recruitment process time.

4. Human Resource Training

Goal: Staff will conduct training for managers in human resource management. This would include topics such as recruitment, performance management, incentive programs, and other human resource procedures.

5. *Focus Groups*

Goal: Staff will conduct 1 focus group of new employees to learn from their experience and determine how to improve our recruitment process.

6. Target Recruitment

Goal: Staff will target 8 recruitment efforts to organizations serving under-represented populations. Contacts will be made to organizations serving under-represented populations such as Hispanic-serving institutions, Hispanic Association of Colleges and Universities, Hispanic Outreach Leadership Alliance, League of United Latin American Citizens, and the President's Committee for People with Disabilities.

7. EEO/AEP Training

Goal: Staff will conduct 3 training sessions for CPSC employees about their EEO/AEP responsibilities. Training will continue to emphasize the shared responsibility for developing and implementing a successful CPSC Affirmative Employment Plan.

8. *Promote Representation*

Goal: Staff will promote representation of Hispanics and individuals with disabilities with at least 5 initiatives. Examples of these new initiatives are mentoring programs, summer volunteer program, employee training programs, and disability and diversity awareness programs.

9. *Low/No-Cost Training*

Goal: Staff will identify and promote no or low-cost training opportunities, such as periodic Small Agency Council training sessions.

Competitive Sourcing

Annual Goals			2003	2004	2005	2006	2007
10. Review and revise the annual Fair Act	Goal	**	1	1	1	1	1
Inventory as appropriate	Actual	1	1	1	1	1	
11. Complete performance work statements and	Goal	**	**	20%	20%	20%	0%
cost statements for 20% of the activities in the	Actual	0%	0%	0%	0%	0%	
Fair Act Inventory annually							
12. Complete competitions for activities in the Fair	Goal	**	**	**	20%	20%	0%
Act Inventory	Actual		0%	0%	0%	0%	

^{**}No goal established. --Data not available.

10. FAIR Act Inventories

We have published an inventory as required by the *Federal Activities Inventory Reform Act (FAIR)* each year since 1999. We reviewed all positions in the agency. We find that the majority of CPSC employees are engaged in the governmental public safety function of investigating product hazards and developing product standards.

We currently contract for most of our commercial services. For example, CPSC contracts for mail and driver services, laborer services, and copy and library services. We also contract for our consumer hotline operation, data screening for NEISS, and much of our computer programming and help desk operations. A total of 43 FTEs are represented by these contractual services. In addition, we contract for specialized commercial reviews, such as bankruptcy experts, during the course of our investigations. We also contract out for operations of various major administrative systems such as payroll, finance, human resources, and procurement. We estimate that these contracts represent at least another 7 FTEs for an equivalent of 50 FTEs already contracted out.

In our 2006 inventory, we determined that an additional 14 employees over and above the 50 that are already contracted out may be performing commercial activities under the definitions in the FAIR Act and OMB Circular A-76 (Revised).

Goal: Staff will review and revise the FAIR ACT Inventory as appropriate.

11. Performance Statements

In 2006, all activities on the inventory were affected by the agency reorganization in response to resource reductions. Due to staffing reduction in 2006 and 2007, we will be continuing assessment through 2007 and expect to complete performance work statements in 2008.

12. Competition

In 2006, all activities on the inventory were affected by the agency reorganization in response to resource reductions. Due to staffing reduction in 2006 and 2007, we will be continuing assessments through 2007 and expect to complete competitions for at least 20% of the activities in our FAIR Act inventory in 2008.

Improved Financial Performance

Annual Goals		2002	2003	2004	2005	2006	2007
13. Monitor financial management systems that	Goal	**	**	1	1	1	1
meet Federal requirements and standards	Actual	1	1	1	1	1	
(Letter of Assurance)							
14. Recommendation for financial management	Goal	**	**	**	**	**	0
system replacement	Actual						
15. Maintain the number of business days after	Goal	**	**	3	3	3	3
month-end to produce monthly financial	Actual	5	3	3	3	3	
reports							

^{**}No goal established. --Data not available.

13. Financial Management Systems

In 2001, CPSC implemented a new core accounting system, the Federal Financial System (FFS), contracted from the Department of Interior's National Business Center, a major provider of Federal accounting services meeting all Federal accounting system requirements and standards. FFS is fully compliant with requirements for accuracy and timeliness.

Goal: CPSC will continue to monitor the system to ensure continued compliance with all applicable Federal regulations and standards. This will be documented in staff annual letters of assurance.

14. Financial Management System Replacement

Goal: Staff will evaluate new financial systems and recommend a system to replace the Federal Financial System which is being dropped by the National Business Center. This work will be completed in 2008.

15. *Information Timeliness*

We provide electronic access to monthly financial reports throughout the agency by the 3rd business day after the close of the month.

Goal: In 2007, we plan to maintain the number of business days after month-end to produce monthly financial reports.

Expanded Electronic Government

Annual Goals		2002	2003	2004	2005	2006	2007
16. Develop Internet application allowing	Goal	**	**	1	1	1	1
direct government-to-citizen access	Actual			1	1	1	
17. Implement Web-based application to	Goal	**	**	1	1	1	1
improve government-to-business	Actual			1	1	0	
communication							
18. Develop and implement technology to	Goal	**	**	1	1	1	1
improve access and transfer of information	Actual			1	1	1	
government-to-government							
19. Improve internal efficiency and	Goal	**	**	2	1	1	1
effectiveness	Actual	2	5	2	3	6	

^{**}No goal establis hed. --Data not available.

16. Government-To-Citizen (G2C)

Government-to-citizen initiatives seek to provide one-stop, on-line access by citizens to benefits and services. They also bring modern management tools to improve the quality and efficiency of service. Citizens can currently request technical, scientific, legal, program, and policy data from CPSC through the Freedom of Information Act. In 2005, we launched the On-Line FOIA request form for use by the public. In addition, we improved the public access to FOIA information on the Web site by implementing a new, easier-to-use FOIA information retrieval system. In 2006, the on-line FOIA request was fully implemented for use by the public.

Goal: In 2007, we will be implementing an additional feature that will allow the public to track the status of their request through the internet.

17. Government-To-Business (G2B)

Government-to-business initiatives will reduce the burden on business by adopting processes that dramatically reduce redundant data collection, provide one-stop streamlined support for businesses, and enable digital communications with businesses. Currently businesses have difficulty finding applicable regulations and Federal Register notices on the Web site because of the large number of regulations and notices available. In 2004, we introduced a regulation retrieval system to allow visitors to retrieve regulatory information by specific products. In 2005, we developed and launched a new Voluntary Standards link on the www.cpsc.gov home page, making it easier for businesses to research and view Voluntary Standards activities involving consumer products. Under the CPSC Flammable Fabrics Act, some manufacturers elect to submit verification of their compliance with the regulation by mailing a paper form with the necessary information to CPSC. In 2006, we completed the first

phase of the on-line filing system which includes enabling industry to search the system and view the status of guarantees.

Goal: In 2007, we plan on full implementation of this feature.

18. Government-To-Government (G2G)

Government to government initiatives will enable sharing and integration of federal, state, and local data. Recently completed CPSC initiatives include the www.recalls.gov Web site, a one-stop site that provides the most up-to-date information on recalls developed in partnership with the Food and Drug Administration, the U.S. Coast Guard, the National Highway Traffic Safety Administration, the U. S. Department of Agriculture, and the Environmental Protection Agency. In 2005, we added a new section to www.recalls.gov, which allows the public to view all participating agencies' most recent recalls on one page rather than tabbing to the agencies individually, making recall information more readily accessible. In addition, we began working with the agencies to include an email subscription list to further enhance participating agencies' ability to disseminate important safety information.

Goal: In 2007, we will conduct a stakeholder agency summit to elicit further improvement ideas. Staff will prepare a summary report.

19. Internal Efficiency and Effectiveness (IEE)

This initiative brings commercial best practices to key government operations, particularly information security, supply chain management, human capital management, financial management, and document workflow. The increase in computer viruses, hacker attempts, and potential physical threats put both internal and external CPSC interactions at risk and reduce government-to-employee efficiency and effectiveness. A successful E-Gov strategy must deploy effective security controls into government processes and systems. In 2004, we began implementation of our Business Continuity Plan (BCP), a requirement under the Federal Information Security Management Act (FISMA), which includes risk assessments on any new applications developed prior to their implementation. We have developed and launched several new internal applications.

Goal: In 2007, we will complete risk assessments on at least one of the new applications.

Budget and Performance Integration

Annual Goals		2002	2003	2004	2005	2006	2007
20. Perform program evaluations	Goal	7	8	7	8	6	4
	Actual	4	8	5	6	6	

20. Program Evaluations

To integrate performance review with budget decisions, we have taken a number of steps, including: (1) changing internal databases to capture performance by strategic goal; (2) developing a system for resource allocation by strategic goal for direct and indirect costs; (3) adding resource allocations (FTE, costs) for each strategic goal to the performance plan; and (4) combining the performance plan and budget request. In addition, we have realigned our budget programs to match our strategic goals. Finally, the Office of Financial Management, Planning and Evaluation works under the direction of the Chief Financial Officer and the Office of the Executive Director to provide a comprehensive and cohesive integration of budget and performance. We believe that our annual budget and performance plans make the agency performance-oriented by showing progress achieved on our hazard reduction goals and our quality and management goals. For continued improvement, however, we must evaluate our programs.

Goal: In 2007, we will continue to set goals for performing specific evaluations as indicated in the Program Evaluations section of this plan.

PROGRAM EVALUATIONS

Program evaluations used to develop the Strategic Plan. Strategic targets for the extent of injury and death reductions in each hazard area were based on statistical analyses of data and staff expertise. Staff calculated 10-year trends of injuries and deaths at both the product and hazard levels. Staff experts in each hazard area set specific targets after assessing the potential actions of the Commission and the effect of joint efforts with other organizations and industry. Staff also made assumptions concerning the outcomes of potential technical feasibility studies.

Customer service/satisfaction and human capital goals were based on information from surveys and tracking systems, as well as our staff expertise as to what could be accomplished in a given time span.

Future program evaluations. Injury and death reduction strategic goals will have two types of evaluations: yearly tracking of injuries and deaths at the hazard level and evaluations of injury and death reductions associated with specific products at appropriate time intervals. The timing for evaluating injury and death reductions depends, in part, on how long consumers keep specific products. Evaluations at the product level will be conducted when consumers are expected to have replaced a substantial proportion of older products with safer products. Staff derives estimates of the extent to which safer products have replaced older products using CPSC's Product Population Model.

Customer service/customer satisfaction goals will also have two types of evaluations: (1) tracking of customer service standards and activities and (2) assessments of consumers and industry. Tracking will be evaluated annually, while assessments are planned to be implemented on a cycle of every three years. An overall plan for future evaluations is provided in Table A.

A. Reducing Fire-Related Deaths

2003: Tracking of fireworks-related deaths

2004: Tracking of fire-related deaths

2004: Tracking of fireworks-related deaths

2005: Tracking of fire-related deaths

2005: Tracking of fireworks-related deaths

2006: Tracking of fire-related deaths

2006: Tracking of fireworks-related deaths

2006: Impact evaluation of product(s) with fire-related hazards

2007: Tracking of fire-related deaths

2007: Tracking of fireworks-related deaths

2008: Tracking of fire-related deaths

2008: Tracking of fireworks-related deaths

B. Reducing CO Poisoning Deaths

2003: Tracking of CO deaths

2004: Program evaluation of CO poisoning deaths

2004: Tracking of CO deaths

2005: Program evaluation of CO poisoning deaths (Carryover from 2004)

2005: Tracking of CO deaths

2006: Tracking of CO deaths associated with portable generators.

2007: Tracking of CO deaths associated with all consumer products.

2008: Program evaluation of CO poisoning deaths (Carryover from 2004)

2008: Tracking of CO deaths

C. Assessments by Industry

2004: Fast Track, Ombudsman

2005: Ombudsman (Carryover from 2004)

2007: Fast Track

D. Customer Satisfaction

2005: Web Site, Clearinghouse

2006: Clearinghouse (Carryover from 2005), State Partners

2008: Hotline

Table A Schedule of Evaluations

Strategic Goals			Procedures	
	Issues	General Scope	Method	Time
Hazards Fire Carbon Monoxide	Reduce the rate of death	National estimates of deaths	1. Hazard Surveillance (NFIRS, NCHS)*	1. Annually
			2. Evaluation of specific products – tracking before/after studies.	2. As appropriate
Customer/Industry Services Hotline	1. Timeliness standards met	1. Population of users	1. Logs	1. Annually
Clearinghouse State Partners Web Site Ombudsman Fast Track	2. Satisfaction with CPSC's services	2. Random sample of users	2. Interviews; mail surveys	2. Every 3 years
Critical Management Utility Quality	Identify potential hazard reduction projects and/or strategic goals	Number of goals and projects	Candidate goals, projects produced	1. Annually
	Accuracy, security, and completeness of databases	2. Selected in-house databases	2. Reduction in database errors, penetrations, etc.	2. As appropriate

^{*} National Fire Incident Reporting System (NFIRS), National Center for Health Statistics (NCHS).

VERIFICATION AND VALIDATION

This section describes the means by which we will verify and validate the results of our annual performance measurement. Each annual goal was set by targeting or projecting a number of activities to be completed. We provide a complete list of performance measures with corresponding databases and verification procedures in Table B. We also provide further descriptions separately for: (A) reducing hazards to children and families for each of the core functions (safety standards, compliance, and consumer information); (B) identifying product hazards; and (C) service quality and customer satisfaction.

A. Annual Goals for Reducing Hazards to Children and Families

1. Safety Standards

• Targeted performance goals for: (a) rulemaking activities, (b) recommendations sent to voluntary standards groups, and national or international code groups, (c) assessments completed (hazard analyses, data collection, technical feasibility studies), and (d) supporting of voluntary standards developments/revisions.

Performance measures: The number of completed activities in each category.

<u>Database</u>: A milestone tracking systems record (including a semi-annual voluntary standards tracking report), the completion dates for significant activities (such as Commission briefings), recommendations sent to voluntary standards committees, and completed reports.

<u>Verification</u>: A review by senior managers and a formal clearance process, resulting in publicly available official, dated documents.

2. Compliance

• *Preliminary determination within 85 business days (unregulated products)*

<u>Performance measures</u>: The percent of unregulated cases with preliminary determination within 85 business days of initiation.

Database: The Compliance Corrective Actions (CCA) database tracks this performance metric.

<u>Verification</u>: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

• Corrective Action within 60 business days of preliminary determination (unregulated products)

<u>Performance measures</u>: The percent of cases involving an unregulated product where a corrective action was commenced within 60 business days of preliminary determination.

Database: The Compliance Corrective Actions (CCA) database tracks this performance metric.

<u>Verification</u>: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

• Corrective Action within 35 business days of notice of violation (regulated products)

<u>Performance measures</u>: The percent of cases involving a regulated product where a corrective action was obtained within 35 business days of the Letter of Advice being sent.

<u>Database</u>: CPSC's Integrated Field System (IFS) is used to track this performance measure.

<u>Verification</u>: Internal consistency checks, required fields, automatic generation of data reports and reviews of each action by senior managers.

3. Consumer Information

• Consumer Outreach

<u>Performance measures</u>: The number of US consumers estimated to have been reached through TV appearances and interviews on national television networks, video news releases to national and local television networks and e-publications on CPSC's Web site.

<u>Database</u>: The data come from three separate and independent tracking sources. The number of viewers of TV appearances and interviews is determined from Nielson ratings of major television networks. The number of viewers of video news releases is provided by a third party contractor. The number of e-publications viewed is determined through computer programming that links Web statistics (Webtrends) to publications by hazard.

Verification: All data is obtained from 3rd parties.

• Projected performance goals for number of press releases and recall alerts by hazard area.

<u>Performance measures</u>: The number of press releases and recall alerts for each hazard.

<u>Database</u>: The Press Release and Recall Alert database records all press releases and recall alerts issued by the Commission by hazard area. The press releases and recall alerts are placed on our Web site the day they are issued.

<u>Verification</u>: Check all press releases/recall alerts for written description of the hazard.

• Performance goals for responding to the public's requests for publication through our Web site. [Note that each CPSC publication has been classified by the hazard addressed.]

Performance measures: The number of Web publications in each hazard area.

<u>Database</u>: The Inventory of Web Publications database tracks the number of each publication viewed or downloaded.

<u>Verification</u>: This information is reported to us through an off-the-shelf software application, *Webtrends*. Perform monthly check of database information.

B. Annual Goals for Identifying Product Hazards

• Targeted performance goals for: (a) collecting data from NEISS hospitals, telephone and onsite investigations, medical examiners and coroners, and newsclips, and (b) evaluating, training and auditing NEISS hospitals.

<u>Performance measures</u>: The number of completed activities or percent of hospitals visited in each.

<u>Database</u>: The NEISS, IPII (Injury or Potential Injury Incidents), INDP (In-depth Investigations), and NARS (NEISS Administrative Record System) databases track these performance measures.

<u>Verification</u>: Internal quality control process.

C. Annual Goals for Service Quality and Customer Satisfaction

• *Performance goals for contacts with the public and timeliness of CPSC actions.*

Performance measure: The number of Web site contacts, hotline calls, and timeliness checks.

<u>Verification</u>: These performance measures are all stored electronically and are either automatically generated by contractors (Web and hotline) or automatically generated through our programming.

• Performance goals for number of business days for technical review.

<u>Performance measures</u>: The number of business days for CPSC to provide a technical response to small business callers.

Database: The number of business days is generated automatically in the Ombudsman database.

<u>Verification</u>: Manager review.

• *Performance goals for customer satisfaction and industry assessments.*

<u>Performance measures</u>: Percent of customers satisfied with our services; improvements made based on stakeholders' suggestions.

Verification: Standardized surveys and interviews based on census or sample of respondents.

Table B
Verification and Validation of Performance Measures for Annual Goals

Results-Oriented Goals Number of Commission briefing packages Milestone tracking Official documents Notional codes changes Number of recommendations Milestone tracking Official documents Model legislation Number of recommendations Milestone tracking Official documents Hazard/cost analyses, data collection Number of recommendations Milestone tracking Official documents Technical feasibility studies Number of reports completed Milestone tracking Official documents Time to PD* (Unregulated) Percent within 85 days CCA* Manager review Time from LOA* to Corrective Action (Reg.) Percent within 60 days CCA* Manager review Voluntary standards (VS) supported Number of VS supported IFS*, official documents Manager Review Public information efforts Number of efforts Milestone tracking Official documents Press releases/recall alerts Number of reports completed IFS*, official documents Manager review NEISS hospital data Number of consumer hits Tape file log, Inventory Official documents NEISS training Number of cases Number of cas	l
Voluntary standards development or changes National codes changes Number of recommendations Model legislation Hazard/cost analyses, data collection Technical feasibility studies Number of reports completed Hazard/cost analyses, data collection Technical feasibility studies Number of reports completed Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of cases Number of contacts	
Voluntary standards development or changes National codes changes Number of recommendations Model legislation Hazard/cost analyses, data collection Technical feasibility studies Number of reports completed Hazard/cost analyses, data collection Technical feasibility studies Number of reports completed Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of cases Number of contacts	
Model legislation Hazard/cost analyses, data collection Technical feasibility studies Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Percent within 85 days Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of cases Number of cases Nedical Exa miner/Newsclip reporting Investigations Number of contacts	
Hazard/cost analyses, data collection Technical feasibility studies Number of reports completed Number of reports completed Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of releases/recall alerts Number of cases NEISS hospital data Milestone tracking Official documents Manager review Milestone tracking Manager Review Manager	
Technical feasibility studies Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Time from PD* to CAP* (Unregulated) Percent within 85 days Percent within 60 days Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of cases NelisS hospital data Number of cases Medical Exa miner/Newsclip reporting Investigations NEISS training Percent within 35 days Percent within 35 days IFS* Manager review Manager Review Manager Review Manager Review Milestone tracking Official documents Milestone tracking Percent within 35 days IFS* Minager Review Manager Review Manager Review Manager Review Mofficial documents Official documents Milestone tracking Minager Review Manager Review Milestone tracking Manager Review Manager Review Milestone tracking Official documents NEIS* Of	
Time to PD* (Unregulated) Time from PD* to CAP* (Unregulated) Time from PD* to CAP* (Unregulated) Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach Number of releases/recall alerts Number of consumer hits Number of cases Neiss Neiss Number of cases Number of cases Neiss Number of cases Neiss Nars Office Quality Control P Office Quality Control P Number of contacts Nars Office Quality Control P Nars Neiss raining Number of contacts	
Time from PD* to CAP* (Unregulated) Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach NEISS hospital data Nedical Exa miner/Newsclip reporting Investigations NEISS training Nebste Number of contacts Number of contac	
Time from LOA* to Corrective Action (Reg.) Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Consumer outreach NEISS hospital data Nedical Exa miner/Newsclip reporting Investigations NEISS training Neistone tracking Number of consumer of cases Number of cases NeilsS Official documents Official documents NeilsS NeilsS Official documents Neils NeilsS Official documents Neils NeilsS NeilsS Official documents NeilsS NeilsS Official documents NeilsA	
Voluntary standards (VS) supported Public information efforts Press releases/recall alerts Press releases/recall alerts Consumer outreach Number of consumer hits Number of cases Nelical Exa miner/Newsclip reporting Investigations NEISS training Nelical Examiner Newsclip Nelical Examiner Number of cases Number of cases Number of cases Number of cases Nelical Examiner Number of cases Number of cases Number of cases Nelical Examiner Number of cases Number of cases Number of cases Nelical Examiner Nelical documents Nelical documents Official documents Nelical Examiner Number of cases Number of cases Number of cases Nelical Examiner Number of cases Number of cases Nelical Examiner Nelical Exa	
Public information efforts Press releases/recall alerts Number of releases/recall alerts Press releases/recall alerts Number of releases/recall alerts PR/RA* Official documents Official documents Official documents Official documents Official documents NEISS hospital data Number of cases NEISS Neighbor of cases Neigh	
Press releases/recall alerts Consumer outreach Number of consumer hits NEISS hospital data Number of cases Number of cases Neighbor of cas	
Consumer outreach NEISS hospital data NEISS hospital data Number of cases Neiss Number of cases Neiss Number of cases Number of cases Neiss Number of cases Number of cases Number of cases Neiss Number of cases Neiss	
NEISS hospital data Number of cases Neiss	
Medical Exa miner/Newsclip reporting Investigations NEISS trainingNumber of cases Number of casesIPII INDP NARSOffice Quality Control Profice QualityService Quality Web site Outreach to professional organizationsNumber of contacts Number of contactsWeb server file log Log of contactsAutomated reports (Contacts Manager review	
Investigations Number of cases INDP Office Quality Control Properties of Neils Straining Percent of hospitals visited NARS Office Quality Control Properties	
NEISS training Percent of hospitals visited NARS Office Quality Control P Service Quality Web site Number of contacts Web server file log Automated reports (Contacts of Contacts) Outreach to professional organizations Number of contacts Log of contacts Manager review	
Service QualityNumber of contactsWeb server file logAutomated reports (ContOutreach to professional organizationsNumber of contactsLog of contactsManager review	
Web siteNumber of contactsWeb server file logAutomated reports (ContOutreach to professional organizationsNumber of contactsLog of contactsManager review	cess
Outreach to professional organizations Number of contacts Log of contacts Manager review	
	ctor)
Maintain hotline's capacity Number of callers Hotline operating system Automated reports (Cont	
	ctor)
Improve services Number of services improved Milestone tracking Manager review	
Industry Services	
Assess services Responses of industry callers Random sample/census Procedural checks	
Meet timeliness standards Number of standards met Log of actions Automated reports	
Track performance Procedures completed Milestone tracking Manager review	
Consumer Satisfaction	
Meet timeliness customer service standards Number of standards met Log of actions Automated reports	
Improve services Number of services improved Milestone tracking Manager review	
Survey consumer satisfaction Ratings by consumers Random sample Procedural checks	

^{*}IFS = Integrated Field System; CCA = Compliance Corrective Actions; PR/RA = Press Release/Recall Alert database; PD = Preliminary Determination; CAP = Corrective Action Plan; LOA = Letter of Advice

SOCIETAL COSTS ESTIMATION

The \$700 billion in societal costs is the total of three components: injury costs, costs of fatalities, and property damage. To estimate medically attended injuries, CPSC employs the Injury Cost Model (ICM), which uses empirically derived relationships between emergency department injuries reported through the National Electronic Injury Surveillance System (NEISS) and those treated in other settings (e.g., doctor's offices, clinics). The injury cost estimates are made up of four major components including medical costs, work losses, pain and suffering, and legal costs. The methods used to estimate these four broadly defined components are described in detail in the *Consumer Product Safety Commission's Revised Injury Cost Model*, Miller et al., Public Services Research Institute, Calverton, MD, December 2000 (http://www.cpsc.gov/LIBRARY/FOIA/FOIA02/os/Costmodept1.pdf).

The cost of fatalities is estimated by applying a statistical value of life to the number of deaths. CPSC staff's statistical value of life is consistent with the results of research employing the "willingness to pay" methodology. In the December 1993 *Journal of Economic Literature* Kip Viscusi's review of the literature in "The Value of Risks to Life and Health" concludes that "most of the reasonable estimates of life are clustered in the \$3 million - \$7 million range." CPSC staff uses a \$5 million cost of fatalities.

The estimate for property damage (\$5.32 billion in 2002), comes from data on residential fires collected by the National Fire Protection Association in an annual survey. The property damage estimate does not include costs associated with fires that are not reported to a fire department or goods destroyed or damaged when an incident other than fire occurs. The \$700 billion figure does not include the costs of illnesses and deaths resulting from chemical or bacterial exposure from use of consumer products.

PROCESSES AND TECHNOLOGIES NEEDED TO MEET THE PERFORMANCE GOALS

This section reviews the (A) processes, (B) technologies (capital assets), (C) treatment of major management problems, (D) accountability, and (E) methodology for allocating CPSC's budget request to strategic goal activities in the annual performance plan.

A. Processes

We plan to achieve our annual goals by continuing our current operational processes. These are described more fully under the introduction to each budget program and activity. In summary, our processes involve these hazard reduction activities:

- Participating in the voluntary standards process or developing mandatory safety standards
- Conducting compliance activities such as recalls, corrective actions, and enforcement of existing regulations
- Distributing information to the public on how to avoid product hazards.

These activities are supported by our work in the area of hazard identification and analysis.

B. Capital Assets / Capital Programming

We have two major recurring capital asset acquisitions planned in support of our performance goals --continued investments in information technology (IT) and the modernization of our laboratory. Our investments in IT and laboratory modernization have a direct impact on our ability to achieve our mission and strategic goals.

We use IT to speed access to injury and death information to set priorities for using our resources; support various voluntary and mandatory approaches to reducing hazards; and reduce more quickly hazards to American consumers. In addition, automating various tracking, planning, and mission-critical systems needed to accomplish organizational tasks has saved thousands of administrative staff hours, thus expanding staff time devoted to injury reduction activities. This has benefited the various CPSC programs established to carry out the agency's mission.

The existing 1950s era laboratory facility provides critical support to our compliance investigations and development of safety standards. Over the past several years, we have worked with GSA to develop a concept plan that has been approved by CPSC, GSA and the National Capital Planning Commission. GSA, however, has not been able to secure funding for the project. We continue to explore creative ways to update our laboratory capabilities in the face of ongoing fiscal restraints.

C. Treatment of Major Management Problems and High-Risk Areas

In 2001, as a result of the first annual audit conducted in response to the Government Information Security Act, we determined that we had a weakness in our internal controls over automated information security and its operation. We hired a full-time IT security official and addressed all major weaknesses by the end of 2004.

We do not have any major problems of fraud and mismanagement in our programs and operations. We can address problems of fraud and mismanagement in programs and operations, if they were to arise,

through CPSC's: (1) Office of Inspector General, responsible for audits, inspections, special reports, and investigations; (2) the Office of the Chairman, responsible for the annual Federal Financial Managers Improvement Act (FFMIA) report to the President and Congress; and (3) the Senior Management Council, responsible for internal control reviews and annual letters of assurance.

We produced audited 2005 financial statements (reported in our 2005 Performance and Accountability Report, November 2005). CPSC's statements received a "clean opinion." These statements met the *accelerated* Federal schedule of 45 days after the close of the fiscal year. The audit found that CPSC's statements and financial system conformed to accepted accounting principles, laws, and regulations and that CPSC had effective internal controls.

D. Accountability

The agency's budget review process, annual performance report, and staff performance appraisals are the primary methods for assigning accountability to managers and staff for achievement of objectives. Each year during the budget and operating plan process, we will link the Strategic Plan and the Performance Budget. The Executive Director of the agency and the directors for the Offices of Hazard Identification and Reduction (for Safety Standards and Data Collection), Compliance (for Recalls and Corrective Actions), and Information and Public Affairs (for Consumer Information) are responsible for this linkage. Finally, the Commission stresses the achievement of the Strategic Plan's objectives as an important consideration in the performance appraisals of agency managers. In addition, the agency's Inspector General conducts an annual audit program of various aspects of agency operations, including auditing portions of the performance plans.

E. Resource Allocation to Accomplish Annual Goals

For 2007, the funding request for the agency is \$62,370,000 with a staff level of 420 Full Time Equivalents (FTEs) nationwide. About 90 percent of our resources are allocated to professional and technical staff who identify product-related hazards; investigate and act on product safety hazards and violations of safety regulations; provide recommendations to the Commission for decision-making; and inform the public about product safety. After staff costs, about 10 percent of our annual budget is available for other critical support costs, such as injury data collection, in-depth investigations of deaths and injuries, independent expert technical evaluations, and travel in support of investigations and voluntary standards development. Our challenge is to work within these constraints while maintaining enough flexibility to fulfill our mission of protecting the public.

Allocation Methodology. Resources in the Annual Performance Plan are allocated between our two budget programs, "Reducing Product Hazards to Children and Families," and "Identifying Product Hazards." These budget programs include activities that support the strategic goals and reflect both direct and indirect costs. Staff estimated the resource allocation for each strategic goal by:

- Determining the direct costs for each strategic goal for those activities classified by hazard in the budget (e.g., resources for the upholstered furniture project were directly applied to the goal for reducing fire-related deaths.) Most of the agency's costs are direct costs, such as salary and contract support costs.
- Estimating direct costs for those strategic goal activities not classified by hazard in the budget, such as customer and industry service activities. Staff estimated the distribution attributable to the strategic goals using historical data and expert judgment.
- Distributing proportionately indirect costs, such as administration, space rent, etc., to the strategic goals for each program.

VOLUNTARY STANDARDS SUMMARY

Fire	1	Arc Fault Circuit Interrupters
	2	Batteries
	3	Candles
	4	Emergency Escape Masks
	5	Fans, Portable
	6	Fire Sprinklers
	7	Heaters, Fixed Electric
	8	Lighting
	9	National Electrical Code
	10	Smoke Alarms
	11	Turkey Fryers
Carbon Monoxide	12	Alarms, CO
	13	Portable Generators
	14	Vented Gas Appliances, CO Sensors
Children's and Other Hazards	15	All-Terrain Vehicles
	16	Amusement Rides, Portable
	17	Baby Bouncers
	18	Baby Gates
	19	Baby Swings
	20	Baby Walkers
	21	Bassinets/Cradles
	22	Bath Seats
	23	Bed Rails
	24	Beds, Toddler
	25	Bicycles
	26	Blind Cords
	27	Booster Seats
	28	Bunk Beds
	29	Changing Tables, Diaper
	30	Child Resistant Packaging
	31	Cribs
	32	Cribs, Commercial
	33	Folding Chairs, Children's
	34	Furniture
	35	Garage Door & Gate Operators
	36	Gasoline Containers
	37	Ground-Fault Circuit Interrupters
	38	Helmets, Recreational
	39	High Chairs
	40	Hot Tubs/Spas
	41	Infant Bedding and Accessories

·		
	42	Infant Carriers
	43	Infant Carriers, Frame
	44	Infant Carriers, Soft
	45	Infant Tubs
	46	Ladders
	47	Mowers, Ride-on
	48	Paintball Guns
	49	Play Yards
	50	Playground Equipment, Children Younger than 2 Years
	51	Playground Equipment, Home
	52	Playground Equipment, Public
	53	Playground Equipment, Soft
	54	Playground Surfacing
	55	Pools, Portable
	56	Pools/Spas
	57	Saws, Table
	58	Scooters, Motorized
	59	Strollers
	60	Suction Release Devices
	61	Swimming Pool Alarms
	62	Toys
	63	Treestands, Hunting

MANDATORY STANDARDS SUMMARY

Fire	1	Bedclothes
	2	Carpet and Rug Standards (Technical Amendment)
	3	Cigarette Lighters (Mechanical Malfunction)
	4	Cigarette and Multi-Purpose Lighters (Amendments/CR)
		Compliance
	5	Clothing Textile Standard (Technical Amendment)
	6	Fireworks (Amendment) Compliance
	7	Mattresses (Cigarette Ignition)
	8	Upholstered Furniture
Carbon Monoxide	9	Portable Generators – Label
Children's and Other Hazards	10	ATVs
	11	Bed Rails
	12	Crib Slats
	13	Infant Cushions
	14	Lead in Jewelry